



Creating Capacity and Profits

By implementing Lean techniques Balanced Body Inc. was able to:

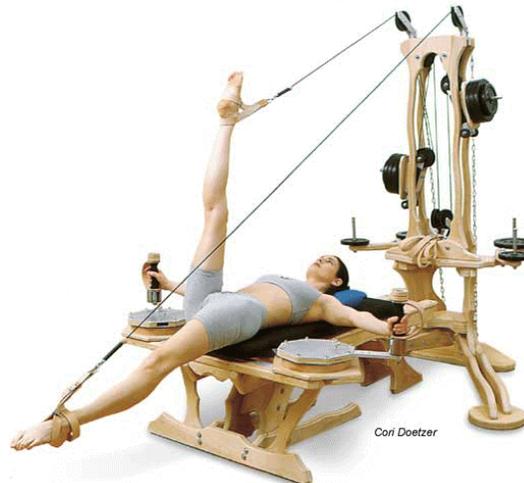
- Increase output for a key product group, from 5 units per day to 20 units per day. An astounding 300% increase.
- Reduce inventory by 70% using kanban to implement a Lean inventory control system.
- Use 30% less floor space than in their previous assembly area.
- Improve product quality and reduce rework.
- Increase employee awareness about process issues.

“I did not think it was possible to do more than we were already doing. TEiM showed us how to reduce waste and improve our production methods. Now everything’s organized, we can make more units and it’s much easier to deliver them on time.”

**Marco Lopez, Allegro Production Cell Supervisor
Balanced Body Inc.**

About the Company

Since 1976, Sacramento based Balanced Body has built custom Pilates fitness equipment for their clients which includes some of the world’s most respected Pilates professionals. Their product range includes high quality, furniture grade wood based products and sleek, yet robust aluminum framed equipment. Their Gyrotonic product is just as much a piece of art, as it is a sophisticated fitness machine. In addition to supplying equipment, Balanced Body manufactures a host of accessories and also provides instructional materials and videos.



The Gyrotonic

Art & Function

Combined

The Dilemma

Balanced Body Inc. has increased sales and market share annually at about 25% for the last several years. To enable the company to sustain this level of growth it required a major change in its operation. Their facilities were becoming increasingly cramped and the growth in previous years forced them to spread their operation into adjacent units and into units across a driveway.

Balanced Body Inc. management team made a decision to consolidate its operation under one roof and in October 2000 they found a new location on Ferguson Avenue in Sacramento. Balanced Body's management team realized that this new facility would be more expensive to operate than the previous premises but they wanted to improve the working conditions of all their employees and have room to continue to grow the company.

The management's vision was to improve productivity to offset the increase in operating costs for the new facility. They also wanted to create additional production capacity to meet future growth needs without increasing their direct labor costs. How would the company improve its operating efficiency, and reduce costs, while increasing profits?

The Solution

Balanced Body was aware of successful organizations such as Toyota and Motorola who have implemented lean manufacturing techniques to improve business performance. They believed they could do the same but realized they would need help implementing this new way of doing business. They decided to look for a company who had lean manufacturing experience and could provide the necessary support to implement a similar system specifically designed around their unique production needs. TEiM staff members were chosen.

The goal of the project was to design a factory layout for the new facility that would provide a simplified working environment to optimize production flow, minimize the amount of non-valued added activities and reduce the amount of work in process (WIP) and raw materials inventory.

After an initial training session on the "Fundamentals of Lean", TEiM helped the Balanced Body implementation team design a project plan. Their first activity was to create a visual map of their production process and identify all information and material flows required to create a finished product. After an assessment of current production equipment and personnel needs, a layout plan was developed for each product family with production cells for all key product groups.

In addition to redesigning the layout, all employees had to learn how to work effectively in their new environment. To shorten their learning curve, all Balanced Body employees (including the management team) participated in Lean Manufacturing training sessions conducted by TEiM.

TEiM also helped Balanced Body develop accurate Bill of Material's (BOM's) and improve their materials management process to support their new Lean environment. The use of kanban (visual inventory control) on the shop floor also streamlined the material procurement process and highlighted any vendors who were not able to supply on a consistent basis to meet demand.