

# **The Role of the Manufacturing Extension Partnership in the Midwest**

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## Honda's Automotive Manufacturing in the US

### Ohio

- Honda's initial manufacturing operations in the US
- 2 Auto Assembly plants
- Engine plant (Honda's largest automotive engine plant in the world)
- Transmission plant
- 150 tier one suppliers)

### Alabama

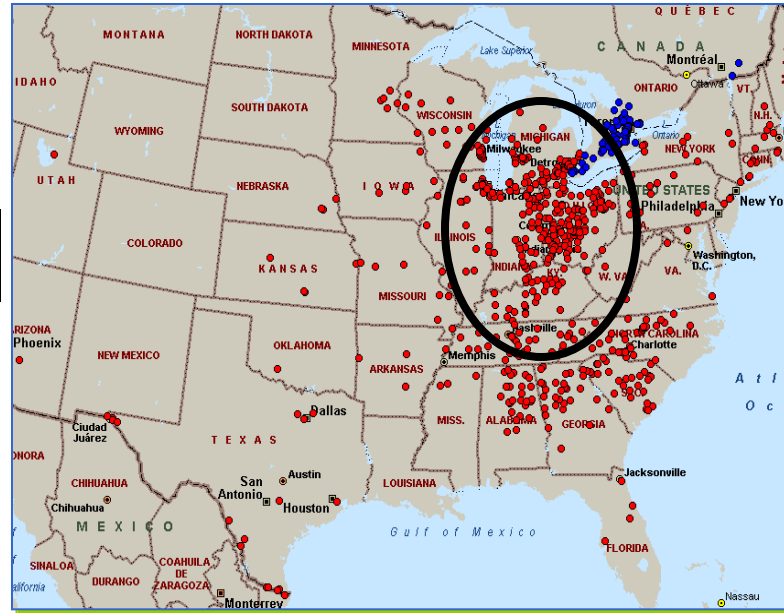
- Assembly/Engine plant (started production in 2001)
- 45 tier one suppliers.

### Indiana

- Assembly plant (started production in 2008)
- 35 tier one suppliers

# Honda Tier One Suppliers

Heavy concentration in “Midwest”



<i>Region</i>	<i>Number of Suppliers</i>	<i>2007 Purchases*</i>
Ohio, Michigan, Indiana and Kentucky (four of top six)	308	\$11 billion
North America	650	\$18.8 billion

## Communication Efforts

In order to generate interest for the upcoming events, on September 24<sup>th</sup>, just over 1,000 email announcements were sent to:

- Supplier Upper Management
- Training contacts

The target was management and training contacts for Tier 2 and Tier 3 Honda suppliers.

### Meet the Manufacturing Extension Partnership



MANUFACTURING EXTENSION  
PARTNERSHIP

**Ohio MEPs:** With their teams of business experts, engineers and scientists, Ohio's two MEP centers—TechSolve and MAGNET—work with a wide spectrum of manufacturers to achieve top-line growth, bottom-line savings and improved profitability. Through their hands-on approach, the Ohio MEPs help identify and eliminate constraints, implement change and assist in new product development. The Ohio MEPs don't just claim results; they use an independent third-party surveyor to capture and validate their customer return on investment. To learn more, visit [www.techsolve.org](http://www.techsolve.org) (800) 343-4482; [www.magnetwork.org](http://www.magnetwork.org) (877) 475-8834.

**Kentucky MEP:** KMAC leads on-site training and implementation of manufacturing and business best practices that increase the productivity, growth, competitiveness and profitability of Kentucky companies. Our team of manufacturing and business experts know how to get results. Year after year, our clients report that every \$1 spent on KMAC services mean \$10 added to their bottom line. Website: [www.kmac.org](http://www.kmac.org) (606) 252-7801

**Michigan MEP:** Michigan Manufacturing Technology Center (MMTC) provides Michigan's small and medium sized manufacturers with operational management, process improvement training, mentoring services, valuable technical assistance and market diversification tactics. MMTC is the Michigan affiliate of Federal Holdings Manufacturing Extension Partnership through the National Institute of Standards and Technology.

Headquartered in Plymouth, the MMTC has five affiliate offices located in Grand Rapids, Marquette, Saginaw, and Traverse City to serve Michigan manufacturers. Visit MMTC's corporate web site at [www.mmtcsworld.org](http://www.mmtcsworld.org)

**Indiana MEP:** Purdue University Technical Assistance Program (TAP) as the Indiana Manufacturing Extension Partnership (I-MEP), we provide high value, affordable solutions to help businesses increase profitability. As advocates for Indiana's thousands of manufacturers, our staff leverages resources in both the public and private sectors to help identify areas of improvement, streamline processes, and ultimately increase competitiveness. Providing high value, affordable solutions for manufacturing challenges, Indiana MEP offers services through on-site training/analysis projects and workshops. Our professionally trained staff includes experts from a variety of business and manufacturing sectors. We serve businesses throughout the state. [www.iemep.purdue.edu](http://www.iemep.purdue.edu) Ph. 1-800-877-5882

4 State **MEP**  
**Expo**  
for **Honda**  
**Suppliers**

TO REGISTER ONLINE, VISIT [MEPEXPO.EVENTBRITE.COM](http://MEPEXPO.EVENTBRITE.COM)  
CLICK ONE OF THE LINKS WITH THE EXPO DATE/TIME  
CHOOSE THE EXPO YOU WANT TO ATTEND.  
REGISTRATION FEE: \$49

Experience how lean can substantially transform  
your business by attending one of the five Lean  
Manufacturing Workshops being held at the following locations:

*Must be a Honda supplier (Tier 1, 2 or 3) to register.*

**Who Should Attend:**  
Any employee responsible for continuous improvement of the manufacturing process such as plant managers, training coordinators, operations and materials managers, process and product engineers, human resources and executive management.

October 19th, 2010 - Plain City, OH

October 26th, 2010 - Plymouth, MI

November 2nd, 2010 - Cincinnati, OH

November 4th, 2010 - Indianapolis, IN

November 16th, 2010 - Bowling Green, KY

## Results

- Expos were held in 5 locations:
  - Plain City, OH 10/16/2010 facilitated by MAGNET
  - Plymouth, MI 10/26/2010 facilitated by MMTc
  - Cincinnati, OH 11/02/2010 facilitated by TechSolve
  - Indianapolis, IN 11/04/2010 facilitated by TAP
  - Bowling Greene, KY 11/16/2010 facilitated by KMAC
- A total of 178 attendees were present, representing 81 different suppliers (35.6 attendees per event / 16.2 suppliers per event)
- From a training standpoint, the MEP Expos were a great success. Everyone acknowledged the value and quality that the MEP trainings provide.
- Expos reached a very small portion of our targeted supplier base
- In order for the MEPs to better assist Honda's supplier base, a better way needs to be found to reach out past Tier 1 suppliers.

# Current Issues Honda Suppliers are Facing



## Technical

- Needs vary from supplier to supplier, but for most of our suppliers, we are looking at welding, machining, stamping, or polymers and plastic injection

## Capacity issues

- Capital equipment needs (how to anticipate and plan for enough equipment/tooling)

## Technical/machinery support

- Good, skilled maintenance technicians (if you can't maintain equipment and predict & prevent failure, you can't meet the product demands of your customers)

## Manpower issues

- Production associates (show up every day, on time, pass all tests and screenings)

## Observations and Ideas

- One of the biggest hurdles is suppliers' awareness of the MEP program and how to best access it.
  - If you are a small manufacturer, you don't have time for too many phone calls
  - One thing we like about the Indiana model is its simplicity
  - "Purdue – TAP". To the user, there is an easy portal and it appears seamless.
- Needs to be customer focused (situations very fluid)
  - Honda's Suppliers faced a very challenging last three years
  - Production reductions (recession, Japan earthquake/tsunami and Thailand flood)
  - Dramatic production recovery
- "Branding" of U.S. Dept. of Commerce / NIST could be brought more to the forefront in illustrating that the service is coming out of this department.

## Closing Thoughts

- Honda very much appreciates what the MEPs have to offer and encourage efforts in delivering valuable resources to our supply base (Tier one, two, three, etc.)
- We realize that Ohio is continuing to try to improve the utilization of the MEPs along with all the other resources available through the Ohio Department of Development
- Honda's Ohio operations (Honda of America Manufacturing Inc. - HAM) is continuously being challenged with taking more of a leadership role and needs the support of all our partners in order to be successful
  - Expanding relationship with OMI in support of new NSX vehicle development and production