

Scaling Up Your Operations

March 29, 2018

Hawaii Foreign-Trade Zone No. 9



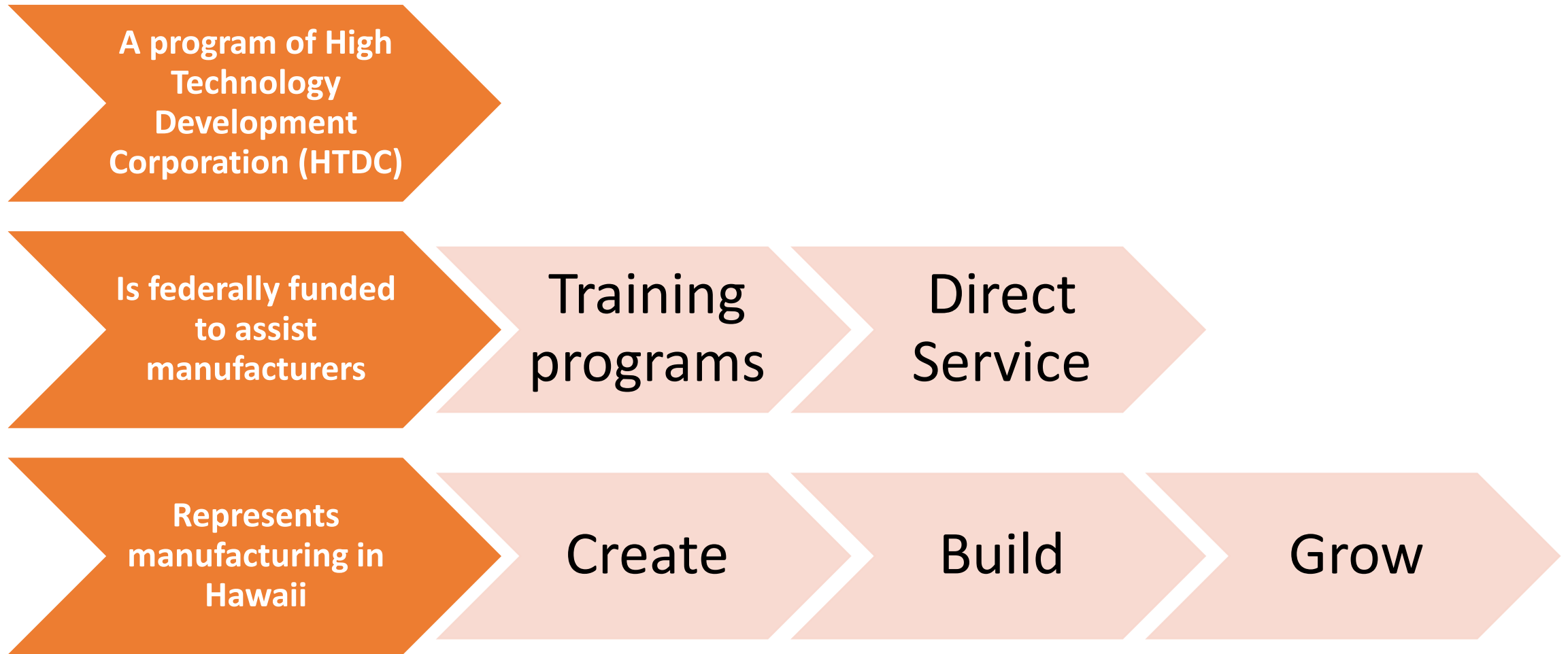
A program of the High Technology Development Corporation

Who am I?

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- Phone: 808-539-3702

What is INNOVATE Hawaii?



Guest Speakers?



Angie H.



Dylan B.



Blaine A.



Wayne I.

When you get a big order, how will you fulfill it?



**Supply
Chain**



\$\$\$



Equipment



Workforce



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Supply Chain

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The Value Stream

Value Added Activity

An activity that changes the fit, form, or function, done right the first time and is something the customer is willing to pay for.

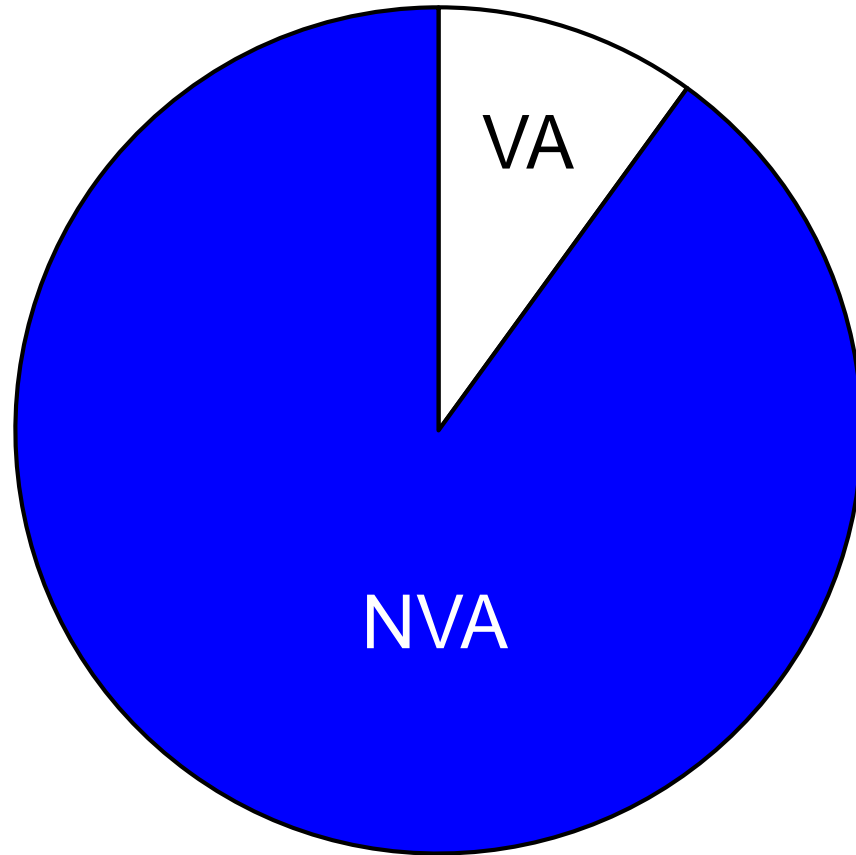


Non-Value Added Activity

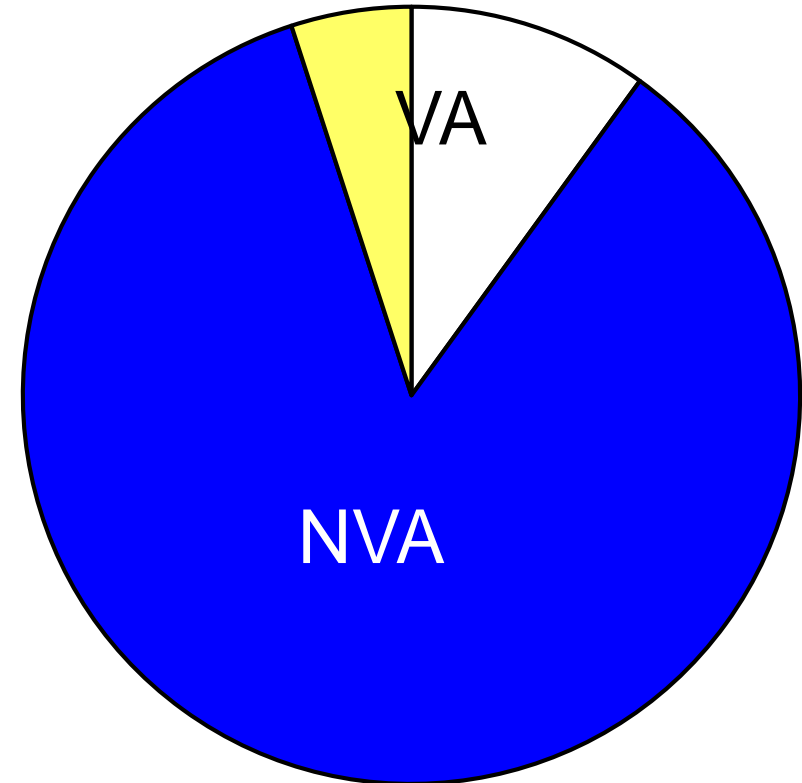
Those activities that take time or resources, but do not directly contribute to the product/service.



Common Mistake



50% Improvement of VA Time

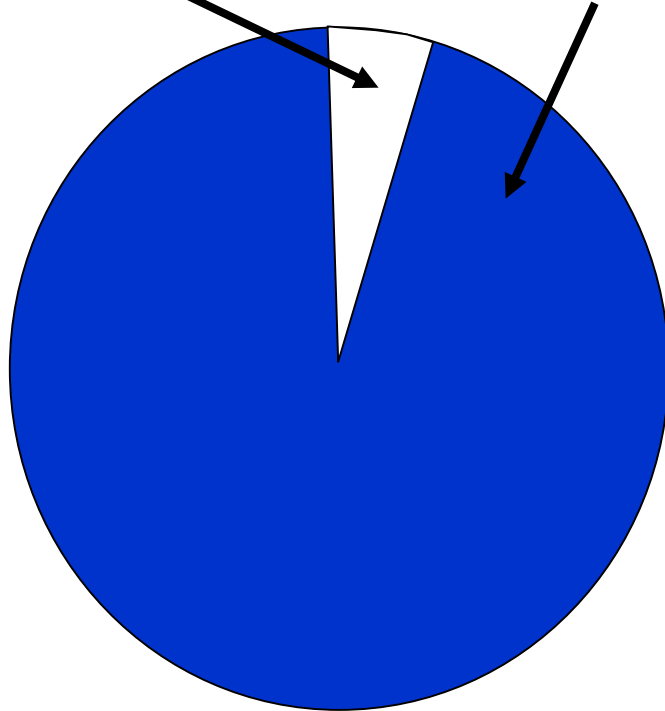


Dr. Deming: 94% of the problem is the system, 6% is the people!

Lean – Eliminating the Eight (8) Wastes

Value Added

Non-Value Added

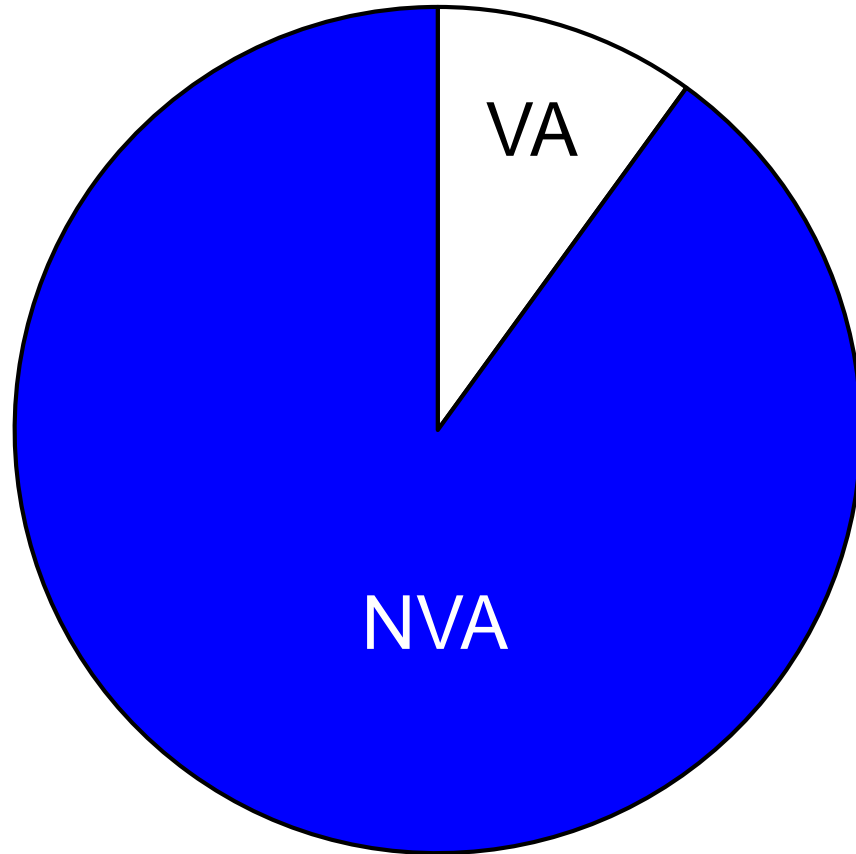


- **D**efects
- **O**verproduction
- **W**aiting
- **N**on-utilized Talent

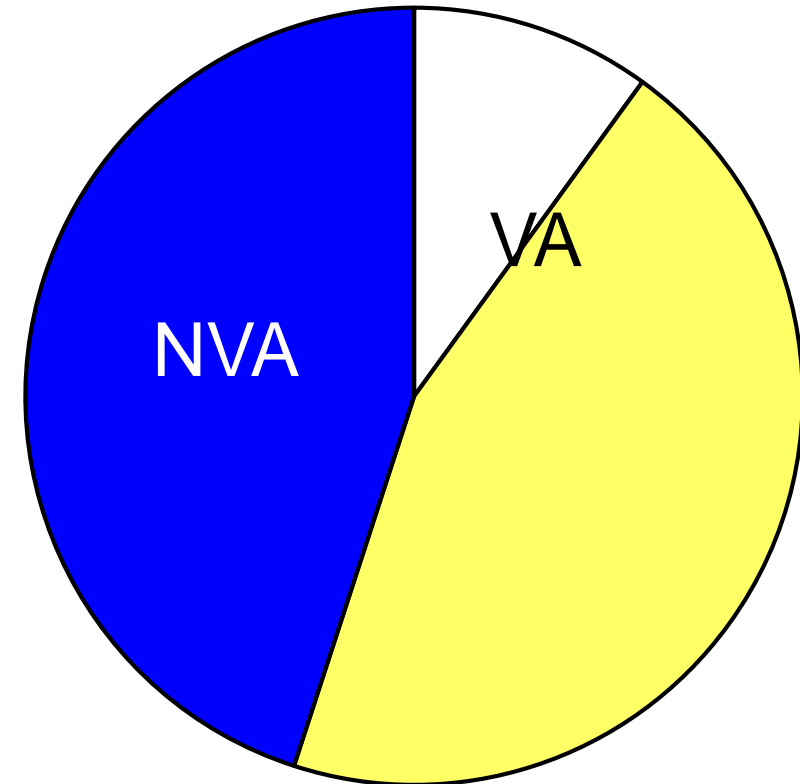
- **T**ransportation
- **I**nventory
- **M**otion
- **E**xcessive Processing

Typically 95% of all lead time is non-value added

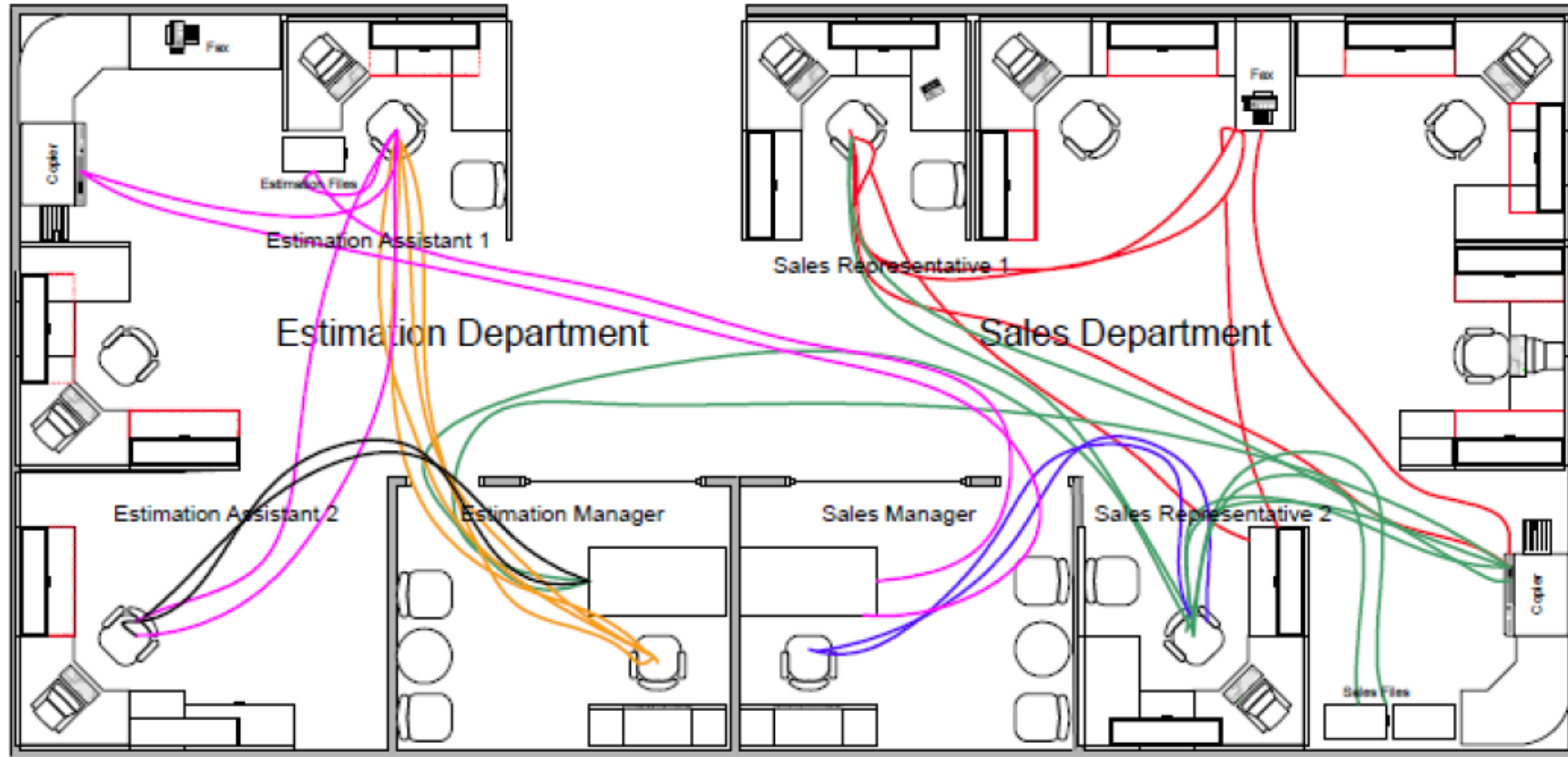
Why Focus on Waste



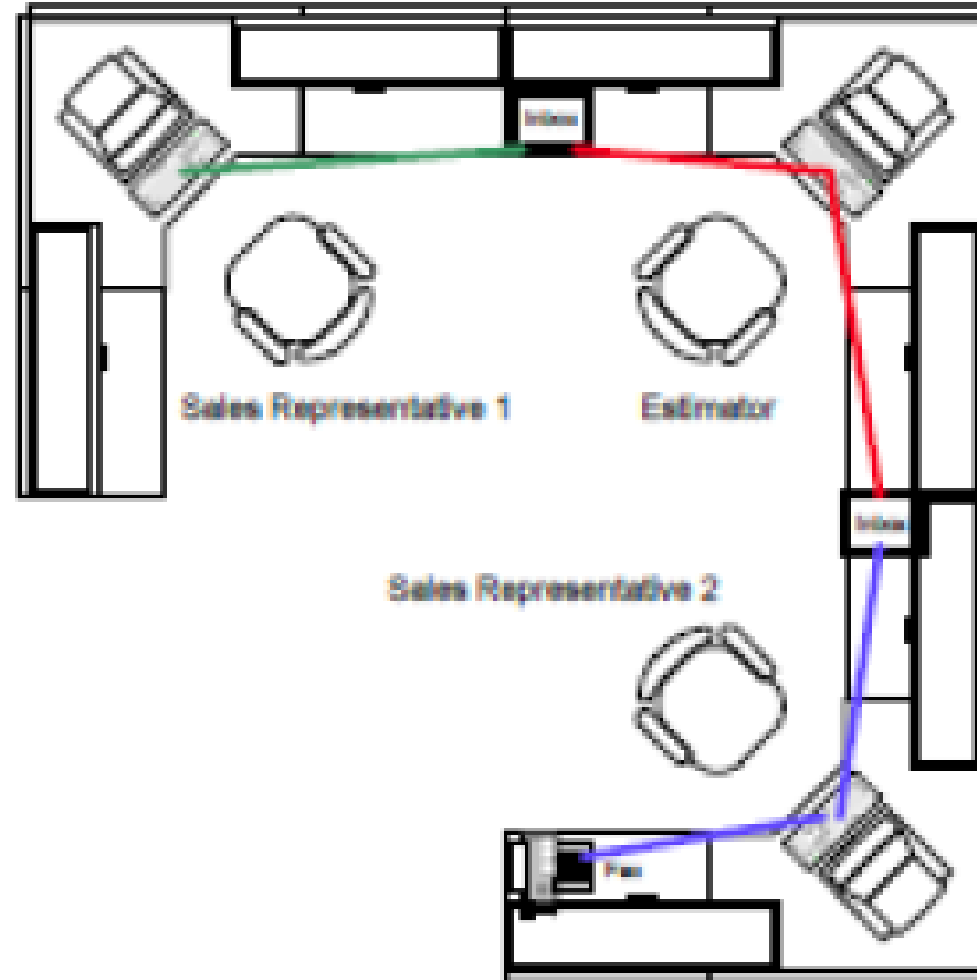
50% Improvement of NVA Time



Process Flow – Spaghetti Layout



Process Flow – Ideal Layout



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Equipment

Manufacturing Assistance Program

- \$1million funding for State FY18
- Reimbursement award, up to 20% of cost of qualified manufacturing expenses
- July 1, 2015
- Minimum grant \$1,500
- Maximum grant \$100K
- One grant per company per year

Purchase of
manufacturing equipment

Training on the use of
manufacturing equipment

**Qualified
Manufacturing
Expenses**

Energy efficiency projects
in manufacturing process

Studying or planning a
new manufacturing facility

Eligibility Requirements

- <http://htdc.org/sites/default/files/Chapter-15-33-Hawaii-Manufacturing-Development-Program2-web.pdf>
 - 1) Conducts manufacturing activities in the State
 - 2) Categorized as a manufacturer as defined by the federal North American Industry Classification System (**NAICS**) codes **31, 32, and 33**
 - 3) Duns and Bradstreet (DUNS) number
 - 4) If awarded, will own and operate manufacturing equipment in the State for a minimum of two years
 - 5) Demonstrate financial viability of business and ability to cover the balance of the cost of the good or service
 - 6) Registered to do business in the State

How to apply?

www.htdc.org/money/#map

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Product Life Cycle

