K-One Newsflash

July 2011

The Lean Transformation

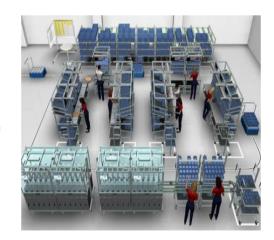
Think lean, think of efficiency, flexibility and adaptability—among the many other benefits that it can potentially bring to any organization.

After months of discussion and preparation, K-One now joins hands with its principal customer, Petzl to introduce lean manufacturing to its factories in Ipoh.

Lean manufacturing is not a cost-reduction program, but a discipline that seeks to bring to the customer the most value by simplifying the assembly process and eliminating waste. Through the use of less human effort, less space, less capital and less time, increased efficiency and flexibility are made possible, which allow for not just faster response to changing customer demands, but also greater variety and quality in products. To succeed, lean manufacturing requires a long-term view and perseverance from the organization as a whole.

The concept of lean manufacturing, in fact, ties in with K-One's mission: "to delight customers by providing hassle-free, integrated one-stop solutions with speed, responsiveness, cost competitiveness and delivery excellence."

Inspired by its own success story with lean manufacturing, Petzl convinced K-One with the idea of a lean transformation early this year. To jump-start, a 12-member team has been formed at K-One, with Senior Manufacturing Operations Manager, Y.F. Ho championing the transformation and implementation.



Earlier this month, Ho and two other team members Associate Electronics Engineering Director, Kevin Kew and Process Engineer, Rizal Ikhram bin Yahya made a trip to Crolles, France, for a study tour of Petzl's manufacturing practices and facilities. According



to Kevin, they were there both to follow up on Petzl's initiative and "to see the way this [lean] concept has been practically implemented."

Kevin said, due to the linear assembly process and cumbersome parts packaging from the suppliers, the current manufacturing practices at the Ipoh factories consume space and are not ergonomically designed. With the transformation under way, the lean concept will be implemented gradually and would first be tested on the assembly process for a new Petzl product that is yet to be launched. Three aspects will be gauged initially as a result: production space utilization, manpower efficiency and cost effectiveness.

Plans for the near future have yet to be finalized. Nonetheless, the second stage of the transformation, in which the lean concept sees further application on the manufacturing side, is expected to take place by this September. The manufacturing team at K-One is extremely excited about this lean transformation. Thanks to Petzl for leading the way!

Private and confidential. For internal circulation only.