

SMALL BUSINESS DEVELOPMENT CENTER SUCCESS STORY

AG MACHINING

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BEFORE:

Incorporated in 1999, AG Machining has grown from a two-person machine shop that did only milling to a thriving family-owned manufacturer with 105 employees and a long list of machining capabilities. In 2009, owner Angel Garcia considered moving the operation to Mexico, but the city of Moorpark and EDC-VC's Small Business Development Center worked with him to keep the business local. AG Machining moved from a smaller location to a 117,000-square-foot facility in Moorpark, enabling the company to grow its product offerings and its workforce.

BEST ADVICE:

SBDC advisor Carlos Conejo, a lean manufacturing expert, worked with Garcia and his staff to improve efficiency. He brought in a group of California Lutheran University business students to videotape one of the production lines and to examine the footage for areas of waste and time loss. Based on their findings, the floor layout was redesigned and the production process was converted to flow in a line, rather than in batches.

"The SBDC was a huge help," said owner Angel Garcia. "If we can find other areas where we can improve our production time and efficiency, it will pay huge dividends moving forward."

Conejo also helped the company institute and fully utilize a software program for inventory control.

AFTER:

After completing workforce training in 2013—conducted in English and in Spanish—the company saw great improvement in production efficiency. AG Machining recently completed another 10-week course in lean manufacturing and plans for the training to be ongoing, so that every existing and new employee can participate.

Eddie Garcia, vice president, said the company is looking to move into a larger facility in the future, to diversify by opening new divisions and to develop its own product line.

As an added bonus, working with the SBDC has brought the company additional customers. "There's nothing stronger than a good referral from SBDC," said Eddie.



Bryan (left) and Eddie Garcia

LESSONS LEARNED:

- **Being Lean:**
The lean manufacturing training sessions resulted in increased production, better material flow and less overtime. "It really gave the employees a better sense of uniformity and teamwork. It helped with cross-training and helped us all the way around," said Eddie Garcia.
- **Pay Attention:**
"Carlos [Conejo] preaches to really look at what you're doing and how you're doing it," said Eddie. Now that he has been through the lean training, Eddie notices processes around the company and sees how they can be streamlined. "He gives you the tools and from there you can run with it."
- **Keep It Up:**
"In business, we always think we have the best processes, but over time they become obsolete. You need to continually improve through workforce training for the health and safety of the employees and company," Eddie said. Our goal is to have almost everyone in manufacturing—from assembly to management—have lean manufacturing training. It has to be an ongoing thing."
- **Free, Really:**
"We didn't expect that business resources would be out there," said Eddie. "When our contact at the city of Moorpark recommended EDC-VC, we thought we would have to pay for it." (EDC-VC's services are paid through the U.S. Small Business Administration, the California Employment Training Panel, the county and each of its 10 cities.)



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