

Custom Machine Manufacturers Cluster



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CTMA-Western Ont. Chapter, April 10, 2008

Existing CLUSTERS

Regroupement des Équipementiers
en Automatisation Industrielle (RÉAI)

Club no 1

ORUS Integration
Avant-Garde Techn
Groupe CADEC
Genik
CRIQ
Assembly MDesign

SYS-Team

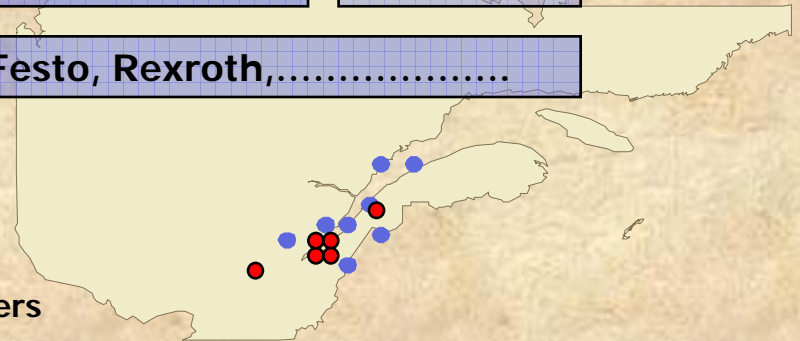
Axium
Averna V&R
Atelier Culitech
IMAC
Orientech
Nita
SNC-Lavallin-Pharma

Sherpix

Partners: Fanuc Robotic, ABB, Festo, Rexroth,.....

JCBrisson

- 17 years as a m/c designer
- Now with IRAP-NRC (neutral)
- Building a data base of m/c manufacturers
- Organizing conferences for CMM
- Well networked with 80 % of CMM in Qc



WHY ?

REASONS behind a CLUSTER of CUSTOM MACHINE MANUFACTURERS

- Making more \$\$\$\$;
- Access & sharing risk on very large projects;
- Increased visibility and credibility;
- Access to complementary expertise

WHY ?

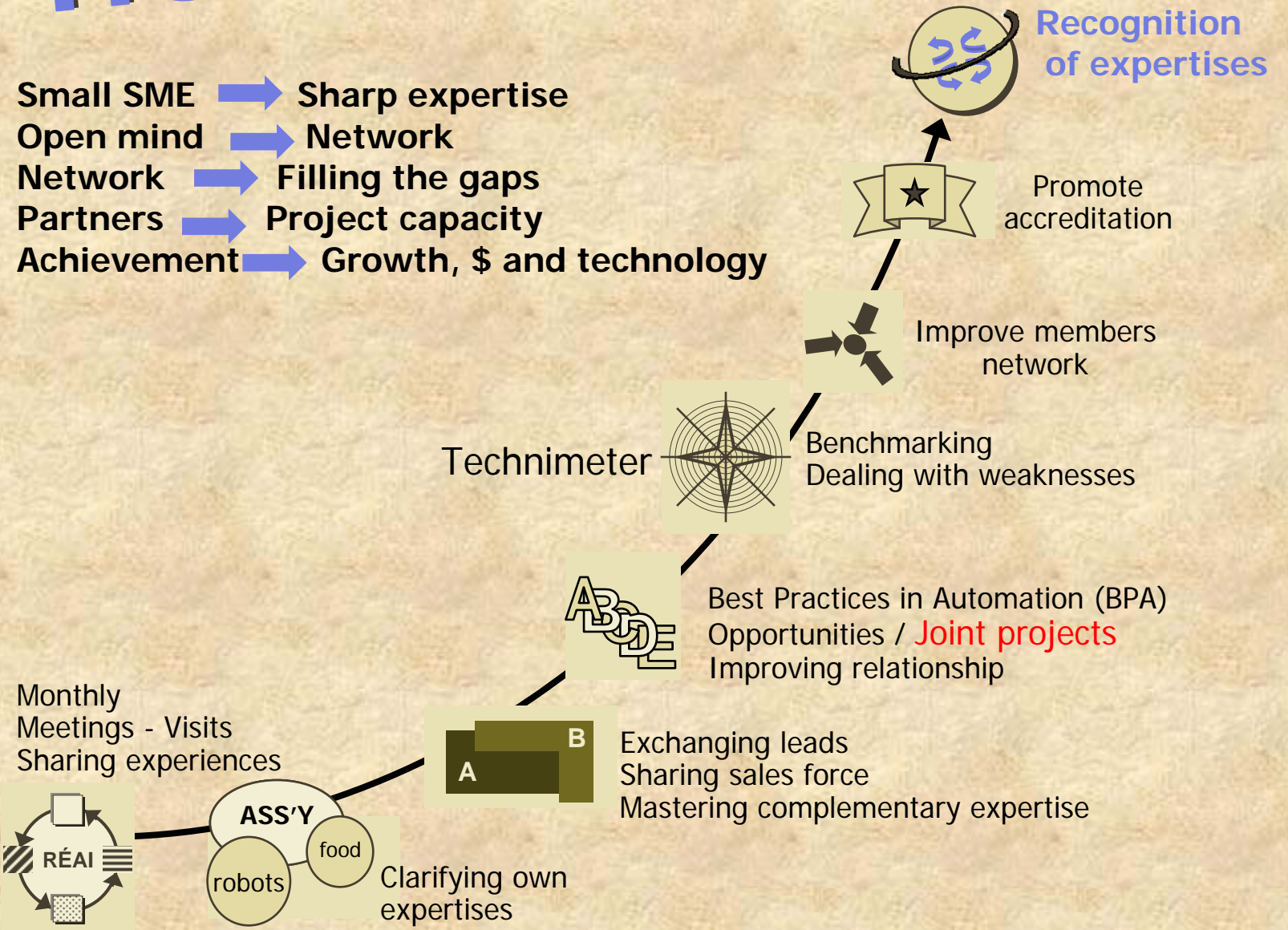
IRAP getting INVOLVED

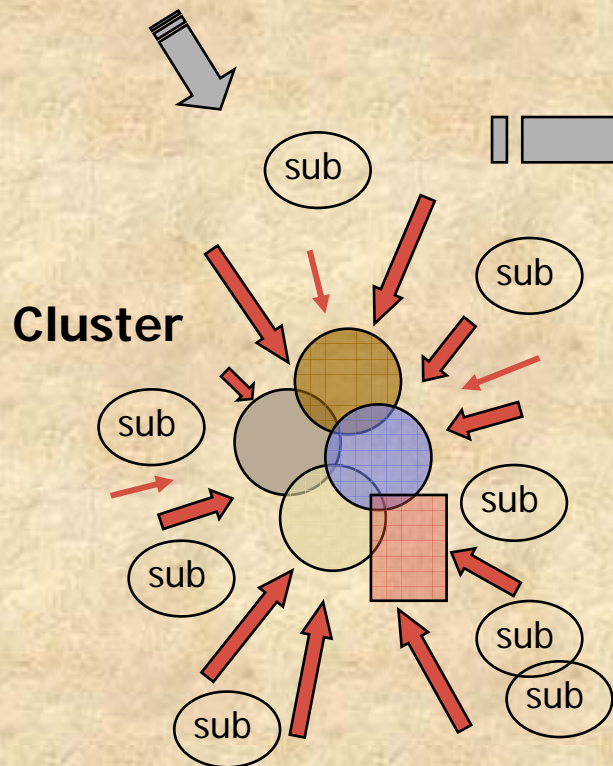
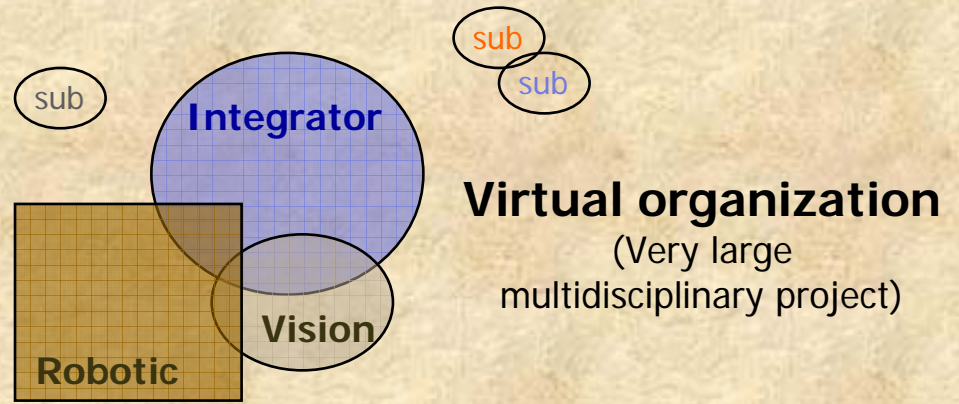
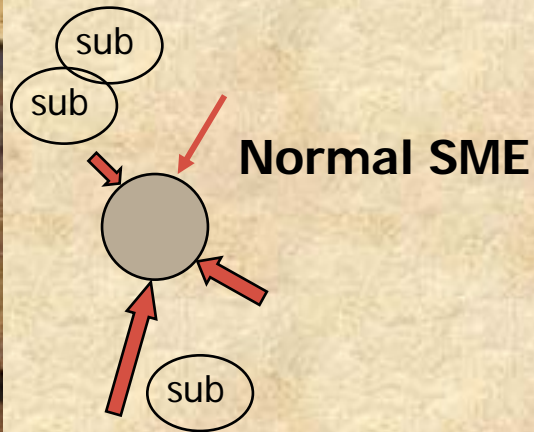
- Insure a better return on IRAP's investment:
 - o Everybody loses when a machine doesn't work (Client, machine designer, IRAP).
- Know better the capacity of machine designers:
 - o Own expertise, technology level, benchmark.
- Promote the notion of world class of custom machine manufacturers.
- Favor best practices and good project management.

HOW ?

Cluster ROAD MAP

- Small SME → Sharp expertise
- Open mind → Network
- Network → Filling the gaps
- Partners → Project capacity
- Achievement → Growth, \$ and technology



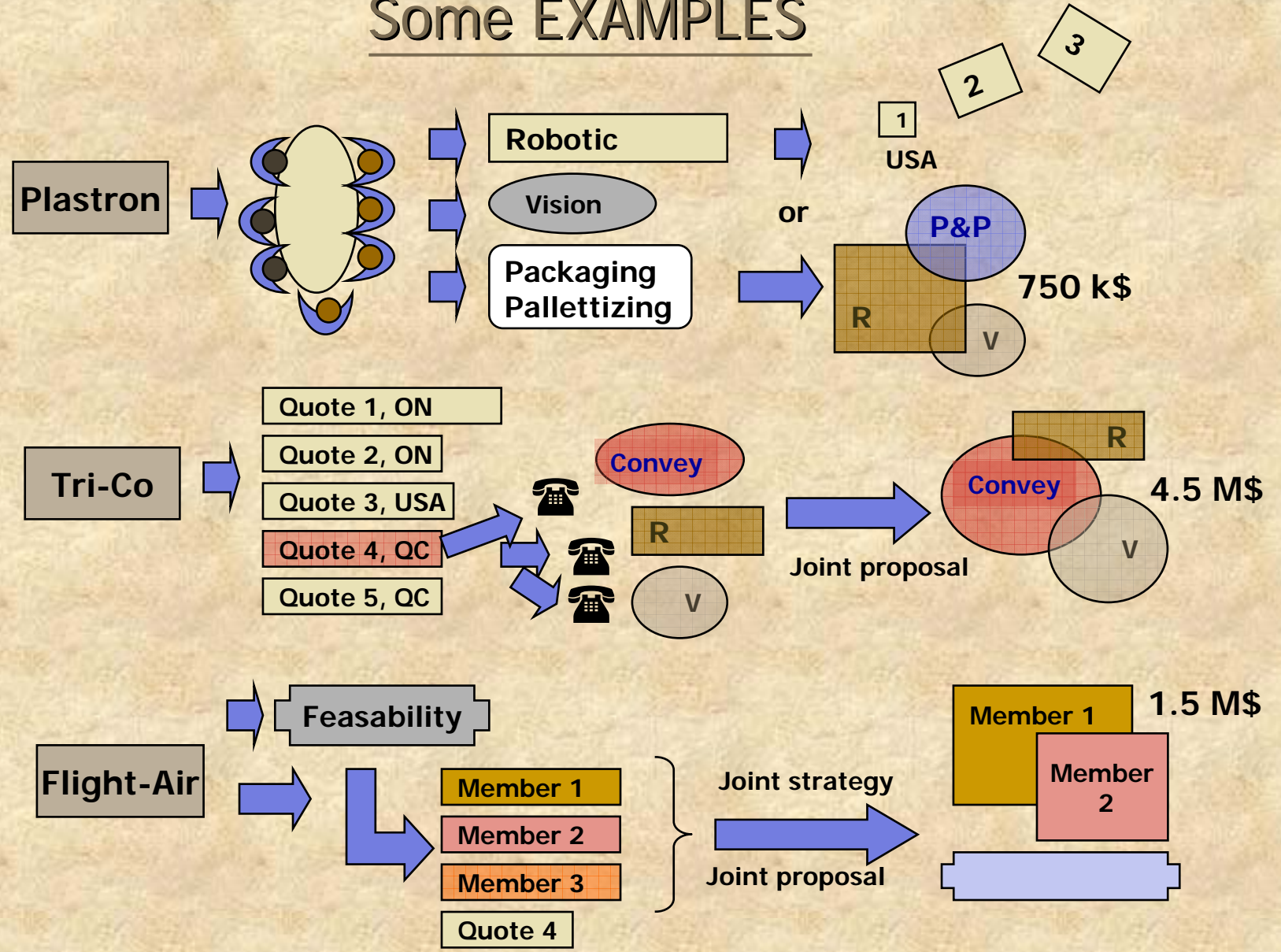


Requirements :

- ✓ **Trust** - takes time
 - established relations
 - good communication
 - belief - transparency
- ✓ **Fairness at all time**
 - works both ways
- ✓ **Professionalism**
 - best practices
 - good project management



Some EXAMPLES



Michigan Examples

The United Tooling Coalition (UTC)

- ◆ Started 5 years ago as American Body Coalition to address the Big Three outsourcing overseas
- ◆ Have independent facilitator
- ◆ Comprised of 16 shops
- ◆ Top initiatives:
 - ◆ Coalition efficiencies (cost cutting, pooling benefit plans, group supply purchasing, workload balancing)
 - ◆ Lean (Each potential member had to open up their shop to selected consultants)
 - ◆ Marketing/Sales (cultivating leads)
 - ◆ Quoting (standardizing quotes and quoting accurately)

Michigan Examples

Eastern Michigan Tool&Die Collaborative

- ◆ Formed to increase competitiveness and pool resources in 2005
- ◆ Run by its members
- ◆ Comprised of 12 shops
- ◆ 3 Committees: Sales and Marketing, Program Management, Tooling and Quality Standards
- ◆ Web based quoting
- ◆ Requires ISO compliance

Michigan Examples How Did They Start?

- ◆ Use association, Identify resources, Hire consultant, Seek government assistance
- ◆ Michigan offered attractive tax credits
- ◆ Companies had to meet certain qualifications
- ◆ Draft Operating Agreement, Elect officers and establish Committees
- ◆ **COMPANIES MAKE THE RULES**

Michigan Examples

Companies (Members) State the Benefits

- ◆ Tax benefit
- ◆ Reaching New Customers
- ◆ Presenting companies as a much larger organization
- ◆ Being part of larger projects and competing globally
- ◆ Increased buying power
- ◆ Balancing workloads, optimizing capacity, minimizing need for purchasing new machinery
- ◆ Lower training costs

Potential Issues

Team Work



Potential Issues

- ◆ Ensure everyone is contributing to the coalition
- ◆ Need yearly dues to support group expenses
- ◆ Need to establish minimum standards/certification requirements (ISO, lean)
- ◆ Need to be open minded
- ◆ Members don't play fair
- ◆ **SMART RULES CAN OVERCOME THE ISSUES**

Innovation Through Collaboration

- ◆ Errors in 'collaboration' through outsourcing
 - Focus solely on lower cost, failing the long term strategy (GM and Honda example)
 - Treating innovation partners as 'suppliers'
 - Fail to develop collaborative capabilities
- ◆ No longer is it possible for one firm to master all skills and put them under one roof
- ◆ Leading firms are collaborating globally
- ◆ View partners as an extension of your own development organizations, seeking their participation in meetings and including them in internal communications
- ◆ Sharing risks and rewards (IP management)

ANY QUESTIONS!

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