-- Speaker 0   00:00:04   Make It Right. The manufacturing podcast

Speaker 1   00:00:10   Factoring is a collection of people, processes and equipment, all in constant pursuit of higher production rates, increased productivity and better product quality. Over the last few decades, factories have been shifting to automation to achieve these results, but still there is some resistance and mistrust this week on make it right. We're looking at how a good automation strategy can help companies grow and profit while also benefiting the frontline workers by providing more fulfilling work. I'm Janet Eastman this week on the show, Kevin Snook and I are joined by Justin Stephens. He's the director of marketing of Kaitech automation, Justin. Good to see you always great to have you on the show.

Speaker 2   00:00:50   I am so honored to be here, guys. We're going to have some fun.

Speaker 1   00:00:55   Great to have you. Good to see you. Kevin,

Speaker 2   00:00:57   You got to be here. Great out of Justin back on again.

Speaker 1   00:01:00   Yeah. So, um, I guess right off the top, I'm calling this, the transformer edition of make it right. That's what I know about like automation and manufacturing and, and robots. Right? So, um, let's talk a little bit about the kind of automation that KyTech does because you're basically into packaging and things like that. Is that correct? Justin?

Speaker 2   00:01:21   Yeah. So our skillset, we focus on end of line packaging. So once a product has been created and now it has a series of steps, it must go through in order to be ready to sell in a store or anything else like that. Right? So we do robotic integration, which means we come into an organization and sit down with them, really understand what they're working on, where their struggles are. And we look for the first thing we look for is the low hanging fruit. What's something that's easy to automate. That's hard to find the labor or for their people to do. And so that's where we always start. And we come in and say, all right, this is where we can go ahead. Let's say it's palletizing is a big one that a lot of companies look for because one you're picking up boxes, the same box or the same bag all day long, and you're stacking it on a pallet.

Speaker 2   00:02:26   It's very fulfilling work, right? It's like, man, can't wait to stack some more boxes today. So we can come in and we can automate that whole process, which lets the company redeploy those employees somewhere else. And that's one thing there's a lot of pushback around, Oh, you're trying to get rid of our jobs. You're trying to take our jobs, right. Let's I have never had one of the clients we work with actually eliminate the job, right. Or the employee. They always redeploy them because in our experience in manufacturing, getting help is the hardest thing, especially right now with COVID and everything else. So they're looking to increase throughput. So they automate this area and then they take the people who were doing it and put them on the line somewhere else to help increase that throughput. Does that make sense? It does Justin. And one of my thoughts around this, there's quite often the people that are doing the stacking, the boxes onto the pilots are not full-time workers in the company.

Speaker 2   00:03:38   Anyway, quite often they, uh, you know, send me, um, w what do you call workers for hire that are coming in on a daily or a weekly basis. And, um, most of the companies that I know that, uh, that are hiring people like that are finding it really difficult to keep the same people consistently that, and there's a very high turnover rate, which also means that the people that tend to be during that type of worker and not that highly qualified on that particular type of work in order to do it really well. Is that what you're seeing as well? A hundred percent. Yeah, no, there's a ton of turnover. Uh, we've got one project we're working on right now where every day they literally send a bus about an hour away and pick up about 20 people, bring them out to the factory for the day and then take them back.

Speaker 2   00:04:32   At the end of the day, they cannot grow because their workforce is so unstable. They can't hold on anything. So that's why we're talking about automating some of these processes in order to eliminate that need. So they can focus on taking again, the employees they have who are full-time and teach them how to --

-- do that thing. We teach them how to run the robots that do that thing, right? So it's a much higher skill level required and it takes a lot more thought process and people tend to be way happier when they're working on something like that, rather than pick it up and move it, pick it up and move it. Right.

Speaker 1   00:05:20   I think we've all done really well. I know when I was in high school, I did this really mundane job of counting envelopes all day, every day for an entire summer. And it was just like my girlfriend and I were doing this for our summer job. And it was like every day, like you'd go to bed at night and you'd sleep. And all you were doing was counting in your sleep. It was just like, it was a brain killer, totally a brain killer. So I can see how this automated mation process would be really great. And I've looked at your website, Justin, and I mean, the palletizer is really cool because you're able to go into a factory and look at what kind of a footprint they have. And you can actually set up your systems to fit that footprint. Can't you,

Speaker 2   00:06:04   A hundred percent. Everything we do is customized for our clients and for their, like you said, their footprint and we can with palletizing, especially, you can get very creative. So we've got one project right now that we're working on for a farm. And so they're, they're, palletizing, uh, avocados, and they've got six different skews, but they're all the same box because avocados have different sizes. And four of the six skews have run probably 85 to 90% of their payload. Right? So right now they have five people, all palletizing when they're running the packaging line and the way we're setting it up, we're going to have one robot, which isn't going to be able to do all six skews. It can only work on four, but the majority of their payload, the more majority of their throughput is on these four. So they're going to go from five guys palletizing to one guy at the end, and then we have a vision system that's going to kick the four main skews down, separate conveyors to this one robot.

Speaker 2   00:07:27   So the one robot will pick up the pallet, place it on the ground. It will then pick up the boxes, put them on the pallet. And then they have one guy who's palletizing the rest at the end of the conveyor, because it's a through conveyor with four off shoots. And so he'll palletize the leftovers and then he'll grab a hand truck and go move the stacked pallets from the robot once they're done. So we're able to really help increase that throughput decrease the overhead overall costs. And they love it because they're not stacking boxes all day long. Yeah. He still has to stack some, but it's not like how it was before we got involved. Um, another project, we've got nine lines and we're sending all nine lines to three palletizing robots and each robot has three stations, right? So all three, nine lines are condensed into three robots.

Speaker 2   00:08:36   And then we have, uh, pallet conveyors, which move them all around, take it to the shrink wrapper. They'll shrink, wrap it, and then it presents it. So the forklift can grab it and put it in storage or wherever it needs to go. And so it's really customized solutions like that, that let, and you fractures focus on what they do best. And one of my favorite things is in manufacturing. It is all what numbers game, right? If you can decrease a cent here that makes a huge impact overall. And another example of that is checkweighing. I, um, this wa, uh, was a consultant that I worked with Robert champion, great guy. And he was doing a project with, uh, primary Sean cheese. Okay. And so in Parmesan cheese, they added a check ware to make sure they were getting the right amount in each bottle. It saved them almost a million dollars a week, Oh week in free product, because they were putting the right amount in. And it's amazing what, like one half of an ounce or quarter of an ounce will do over 4,005,000 bottles, whatever the numbers end up being.

Speaker 3   00:10:09   So I see that a lot, Justin, in a lot of different industries, it can be the amount of shampoo you put in a bottle. It can be amount of how many boxes, how many bags you put in a box. It can cover everything, right. But it really is because we have these legal limits and you have to put at least that amount in, if you don't have very low variability or the ability to be able to measure very accurately, then you ar --

-- e always overestimating how much you've got to put in. Cause you got to play safe, right. And not play safe. Margin can just add up significant.

Speaker 2   00:10:40   It adds up so fast. And again, this is a business, right? We do it to serve, but at the end of the day, we're running a business. So you've got to watch those variables and make sure you're doing what you can do to increase your profitability. Because here's the best thing about business and business owners are the most generous people I have ever met by far. They make money and then they go invest it in their community. They invest it with, uh, hiring more people. They feed more families like COVID has been a COVID it's been COVID, it's been a drain on everybody, but you know, who's keeping it going, keeping the economy going is, are businesses who have pivoted and adapted and continue to feed families because there you've got a lot of excuses to throw in the towel and say, Hey, I'm good. Right? So it's these businesses that we've to keep up and running,

Speaker 3   00:11:54   We've got to keep profitable. So my opinion, the more money a business can make the bigger impact that business is going to make in the lives of its employees, its families, the community it's in, in the world in general. Right?

Speaker 1   00:12:10   What you said there, Justin earlier, where you talked about how, um, you know, you, by doing, having those re these robotic systems, this allows the manufacturer to actually focused on the business that they're actually in their business, isn't packaging, right? It's not, it's the, it's the making of the product or whatever. So I think it's really interesting that you said it, it allows them to actually focus on their business. So when these workers and I mean, we want to talk about the frontline workers and how are they get to do something better than, you know, loading boxes on pallets and worrying about their sore back and things like that. What, what other jobs do they end up going to Kevin? You must have seen this in a lot of different places. Where do people go that used to do that kind of work? Where do they go in the factory?

Speaker 3   00:13:02   Yeah. Justin had alluded to this before and it's about upskilling, right? It's it's once you've, I, I hate it when people are seen as a, as a tool to get a job done, right? That's the worst possible definition of a, of a human in a business. And uh, and quite often when you are simply just doing a very repetitive manual job, um, people are just putting you in there because either they haven't invested in the technology to do it, or they didn't know that the technology and, uh, you know, even existed to be able to do it. And so people are being used as tools to get a job done. And it's a horrible way to use a super computer of a, of a human. Um, what we want to be able to do is say, okay, what, what would be fulfilling for these people?

Speaker 3   00:13:47   Uh, what of their real skill set and how do we then employ their skill set into something that is really adding the most value possible for the business. And, uh, it's a little bit like Justin said, once you, once you start investing in taking people away from that very repetitive type work, we open up the first of all, the business tends to grow because you become a lot more profitable when you do that well, but then you've got more and more opportunities to redeploy the people, to upscale them, to bring them into more fulfilling work. And that's why, you know, this podcast is all around. How do we get the most fulfillment for the majority of people in manufacturing? And this is one of those ways of doing it. It's the first way in, um, part of, part of what I see people challenged by.

Speaker 3   00:14:35   And we talked about this a week or so ago, Janet, it was, was, there's so many good solutions out there, but it's almost like people don't trust us to be able to put in those good solutions and help them move forward. And I'm sure that Justin sees there. So I'm interested to see, you know, you know, that you can help, right? You've desperately, you, you see people and you go in there and you feel like there's death. There's clearly something I can do to help you become more profitable, grow the business. But then you've got to, you've got to build that trust with people to allow them, to have them allow you to come in and really help them. How do you overcome that kind of barrier with people

Spea --

-- ker 2   00:15:21   That is such a great question. And it's one of the harder, the hardest barriers to overcome, especially for automation. We're like the four year old company we've been doing conveyors and manufacturing for 60 years, but we just added this robotic integration and turnkey systems provider to our business. And with that comes a lack of experience. Right? And that's what a lot of people look at. And they, they say, you're only this, this all, you're so new. How can we really trust you? Well, the truth is that's actually a bonus because we don't know all the old ways of doing things, right? So we learned on the newest robotics, we've learned on the newest robotics software and every project we do. We actually, so there's a, we're a primarily an ABB value provider, but we do all robots with ABB. They have a software called robot robots, studio and robots studio will let you design anything that a robot could actually do.

Speaker 2   00:16:44   So before we do any project, we've literally proved how the robot can do the work. And we know how to make it work with our software, which makes it a lot easier to say, Hey, this is what we're doing. And so before we take any job, we prove it out through this software because we want to make sure that we can do it because the capital expenditures industry in just the U S is a $1 trillion a year industry, 1 trillion, 7 billion with a B 7 billion of that is stuff. Someone pulled the trigger on before really proving out that this would work. Um, I like to affectionate in our robot, you know, the robot you put in the corner, cause it do the job you bought it for. And then you hang a coat on it. It's not a great way to invest your money, right? So you've got as we're going through this, one of the things people need to look at is one, how current is the company they're working for or with how advanced are they in their solution finding?

Speaker 2   00:18:16   Because the one thing about robots is the newer and newer. They are the more and more you can have done with one robot. For example, we have a palletizing line. We just put in last quarter, um, boxes come in, the robot, picks up the pallet, picks up the slip sheet, stacks, the pallet puts another slip sheet on and then moves it to the shrink wrapper. And then it's ready for human touch. Like all of that is done with one robot. So there's so much that can be done as we're moving forward. And as, as technology advances and you just gotta be aware of it and open to it.

Speaker 3   00:19:01   Well, you're saying is your beginner mindset that is making sure that you're learning with the client. Right? And so it's, I guess, as you're learning, they're learning at the same time and you can go along together in that, in that journey that you're taking.

Speaker 2   00:19:19   Exactly. And granted, we've only been doing this for four years, but we do it like to be candid. Last year, we were doing it like seven days a week for four years. Right. So we're picking up a lot and we are learning so fast now take palletizing for an example, we know palletizing we have done so many palletizers that it's not a question of how, like we can come into an organization and see what they're doing. We can put together a budgetary quote, pretty dang fast, because we know what to expect based on what their boxes or the bags or whatever there is coming at us. We can really drill down to it because we've had that practice. And so it's, it's important to get that experience, but it's also important to learn, like you said, with our clients, because we are not where we want to be by any stretch of the imagination, right.

Speaker 2   00:20:25   We're growing fast and we love it at the same time. We're further ahead than most of our clients when it comes to our understanding of robotics. And so that's the important thing for us. They, and we have an extremely strong relationship with ABB because of growth mindset and what we're doing. So they actually throw resources at us all the time to make sure all these projects are going exactly as planned. And they want to make sure we're successful because our success determines their success. If you look at it, we're just ABB sales team wrecking. We sell it. And then we do all the hard work. So they love us.

Speaker 1   00:21:14   So Justin, I want to know what factors are considered when developing that good automation strategy for a manufacturing company. Like you walk in there --

-- or, you know, as a consultant, what are you, what are you saying? Okay, here's the strategy that you need to implement to make sure that this is a really good strategy for your company?

Speaker 2   00:21:34   Yeah. So first thing we go in, we look for where's the bottlenecks, right? Where are our surge points? And we've got to figure out where is the, Hey, it goes two ways. First, you got to figure out where's the fastest we're going to need to go, right? Because you want to build your automation system to the vastness speed that you have to meet. Second, you've got to look for in five years, what are we trying to do? Right. If we're not thinking about five years down the road, we could put together a system today that's obsolete in two years. Right? And so you've got to constantly be looking at what's our bottleneck now, what's it going to be in a year? What's it going to be in five years? What's it going to be in 10 years? Which, I mean, it's hard to think that far down the road, but if you're not thinking about it now, it makes it so much harder to come in and change it.

Speaker 2   00:22:40   So for example, we, when we're working with people, we're looking at how can we build a system that can scale or contract based on the results of their sales team, because all these companies have sales teams, right? No one doesn't have a sales team. So that sales team determines what capacity that planet needs. And you could build up too fast. And if the sales teams not bringing in the demand for the product or service, then you're stuck with a heavy bill without the work load to handle it right. Or the need to handle the workload. Right. So you've got to be careful of putting things in place. So that's one reason why we'll do a full line layout. And then, so we've got a mutual friend Justin, that we're working with, right. And in we're looking at all right, this is everything we could do. And then this is the little low-hanging fruit that we could do. These are the little projects, for example, it is case erectors, save boatloads of time, label applicators, save boatloads of time, conveyance saves boatloads of time. Like there's these little things that you can just go grab one and put it in and be like, we're just going to run this as a standalone until it's time to do the whole lie. Right. And it's just thinking through that and understanding, alright, this is where we need to be going based on the company's trajectory right now.

Speaker 4   00:24:33   Great. We'll continue our conversation with Justin Stephens, from Kaitech automation, talking about the re-skilling for automation. Thanks for listening to Make It Right

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