

Pin maker gets lean, and unstuck

By MATT WICKENHEISER, Portland Press Herald Writer

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Staff photo by Doug Jones

Designers Adrienne Bruno, left, Jaye Caron and Jessica Patrick create pins at Designs by Lucinda at the company's facility on Riverside Industrial Parkway in Portland. The company last year made and sold 255,000 one-of-a-kind pins.

A row of women each take glue stuck to the back of one hand and dab it carefully onto pieces of the pins they're assembling. In the next room, several artists handpaint the backgrounds that will be made into the pieces.

In another workshop, a worker sets the backgrounds into six different laser-cutting machines that will cut out the pieces.

Throughout the 8,000-square-foot building on Riverside Industrial Parkway in Portland, employees at Designs by Lucinda handle customer service, sales, production, design and shipping at a business that last year made and sold 255,000 one-of-a-kind pins. The company employs 40 people normally, but ramps up to 75 during busy times.

It's a far cry from the business Lucinda Yates started 15 years ago, making jewelry in her kitchen.

The growth and evolution are impressive, but there is a lot about the business that has remained constant. The distinctive "Lucinda" style is unmistakable, and each pin sold still goes to help a nonprofit. Each pin is sold to a nonprofit, or to a sponsoring group, for \$6.95. The pins must then be sold for \$14 at most, the profit going to charity. To date, the company has helped nonprofits raise \$21 million, one pin at a time.

But as the company grew, the processes and ways of doing things that worked just fine in a small shop became woefully inadequate in a larger business. Labeling systems in the design shop were nonexistent or unorganized. Employees in different departments had to seek each other out for face-to-face updates on inventory, sales,

orders and other vital information - there was no depository where people could get updates on a variety of data.

Like a pair of old jeans you neither fit in nor easily part with, the processes persisted until the company went through a lean manufacturing process run last summer by the Maine Manufacturing Extension Partnership.

"This business started in a kitchen, moved to an attic, moved to one room. As you grow, you take those small habits with you," said Mike Reynolds, general manager. "With 60 people, you've got to start making more smart decisions - the decisions that go beyond one or two people."

Lean manufacturing is a way of making companies more efficient. It involves careful examination of processes, trying to match the desired end results with the best way of getting there, reducing steps in production and other techniques. Seconds shaved off one process add up to minutes that, combined with overall time savings throughout an operation, can truly benefit a company.

What's unusual about Designs by Lucinda is that it operates at the confluence of art and manufacturing. Say, for example, the company is making a pin of a lady in a red dress to help nonprofits fight breast cancer. The designers who put the pins together have a basic pattern that explains what elements will go onto each pin, but they have an amount of discretion as to how each piece will be put together. The result is that no one pin is exactly like another - they all have a common look, but they're not identical.

So the company's processes would be labor-intensive, no matter what changes were made.

"Most of our companies that are manufacturing are making widgets. They make a lot of them, or they make highly specialized instruments, and they don't make many, but their process is A-B-C," said John Karp, the MEP senior project manager who worked with the company. "Where these guys are trying to make each pin unique, we tried to lean out the manufacturing processes that lead up to the art, and once the art's done, lean the manufacturing processes after that."

Karp first visited the company in 2001, and immediately suggested one machine that would eliminate a bottleneck. The assembled pins are covered with an epoxy. Karp saw employees were doing the epoxy work by hand, slowly covering the pins with a two-part epoxy that took hours to cure.

Reynolds said the situation was a mess. Not only did it take forever, backing up work throughout the building, but bubbles would form in the epoxy. Workers dealt with the bubbles in a low-tech way; they'd spend hours jabbing through the bubbles with a nail, duct-taped to the end of a dowel. That labor-intensive solution was a fix that arose from necessity, said Yates.

"When the company first started and it was growing at such a rapid pace, we were just throwing people at the problems. What that does is it makes your labor costs incredibly high," she said.

Karp suggested a machine that used ultraviolet curing to replace the hand process. It was a technology the company had been following, and a Maine Technology Grant helped the company buy the machine. It was put in place in early 2004. Because the company was immediately able to make more pins once the bottleneck was gone, it hired its first-ever sales force. The new machine would allow production to keep up with whatever extra business sales brought in.

Following two down years - sales were down 15 percent in 2002 and 9 percent in 2003 - the new department helped build sales, and the company posted 14 percent growth in 2004. It's expecting between 14 percent and 20 percent growth this year, Reynolds said.

After the new machine was in place, Karp focused on other areas to improve. The solutions were as simple as labeling the various stored backgrounds with large lettering and a logical numbering system. That makes it easier for artists to grab what's needed, to see what needs to be restocked and to have someone from another department fill in if someone's out.

"I don't pay these guys to come over here and find stuff. I pay them to be artists," explained Reynolds. "There's no question that I want them to spend their time being creative."

Another easy step was mounting a 4-by-8-foot whiteboard in a hallway, allowing employees to see at a glance what orders are pending, what inventory is in stock and other bits of information that different departments need to be aware of.

The changes the company has made are being recognized today by the MEP, which is giving Designs by Lucinda its first-ever Manufacturing Excellence Award. The award is "in recognition of the company's efforts toward achieving world-class manufacturing status, implementing best manufacturing practices required to advance in the marketplace and their commitment to improving the lives and business success of their customers," according to the MEP.

Yates said that she and Reynolds have seen the company grow, so they're used to the work that is done there. But outsiders are impressed at what's going on, she noted.

"I'd put money on this - there's probably not another company that's manufacturing as many one-of-a-kind pieces at the level we're doing it," said Yates. "I do consider us a manufacturer and a design company, both."

Yates, too, has put aside many of her old roles as the company has grown. Until last year, she was still personally opening the mail and paying the bills. But now, like many entrepreneur-founders, she's forging a new role at her company.

"It's almost freeing. You get people you can trust and you know are capable. You can move on and do what you need to do," said Yates. "Now, the role I'm trying to develop more is being out there and doing more speaking engagements and promoting the company."

Yates will be a panelist at the upcoming Office Depot Success Strategies for Businesswomen, an event that's featuring Barbara Walters and former U.S. Labor Secretary Alexis M. Herman. She still approves each new pin design, and noted that with faxes, e-mail and FedEx, a busy travel schedule isn't a problem.

Yates, who went from being a homeless, divorced mom to jewelry entrepreneur, said she always had the faith that her business would do well. It's a matter of imagining your best self, she said.

"If you can't do that, you're going to stay right where you are. You need to do that, no matter what," she said.

"It's worked out pretty well for 15 years. We're still providing jobs for people and we're helping out organizations all around the country while we're doing it. Hopefully it will go on for a while longer. I don't want to find another job right now."

Staff Writer Matt Wickenheiser can be contacted at 791-6316 or at:
[*mwickenheiser@pressherald.com*](mailto:mwickenheiser@pressherald.com)

DESIGNS BY LUCINDA

ADDRESS: 475 Riverside Industrial Parkway, Portland, 04103

PHONE: 800-799-6116

WEB SITE: www.lucinda.com

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