

SPEED TO MARKET

Wooden Ships Case Study

Presented to BEDO
By Mark Donovan
February 24, 2010



**YOU CAN IMPROVE YOUR
SPEED TO MARKET
BY OVER 75%**

...AND IF YOU DO YOU WILL BE VERY HAPPY



**wooden
ships.**
by paola buendia

view the
spring 10 collection

[click here](#)

Recently Seen In [Sports Illustrated](#), [Womans World](#),
[The New York Times](#), [New York Post](#), [Lucky](#), and [Allure](#)

Become a fan on



Want to Buy?



autumn | winter 09 sweaters



autumn | winter 09



spring 10



spring | summer 10

autumn-winter 2010 is available now for viewing in our New York Showroom or with our Sales Reps.
Please call us for an appointment.

wooden
ships.
by paola buendia

PRESS

P
R
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February - 2010



February - 2010



January - 2010



January - 2010



December - 2009



November - 2009



October - 2009



October - 2009



September - 2009



September - 2009



July - 2009



February - 2009



January - 2009



January - 2009



January - 2009



December - 2008



December - 2008



Holiday - 2008



November - 2008



October - 2008



October - 2008



October - 2008



September - 2008



Oct/Nov - 2008



October - 2008



September - 2008



May - 2008



February - 2008



January - 2008



January - 2008



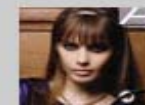
Winter-2008



Winter-2008



December-2007



WHAT IS SPEED TO MARKET?



2007 = 2 to 3 MONTHS

2010 = 10 - 30 DAYS

WOODEN SHIPS ORDER CYCLE

RECEIVE ORDERS



CHECK MATERIAL & CAPACITY AVAILABILITY



CHARGE CREDIT CARDS / CONFIRM CREDIT



PRODUCE IN 3-5 DAYS



CONSOLIDATE ON ONE AWB / EXPORT DOC



SHIP VIA FEDEX IED (5-10 DAYS)



REPEAT DAILY



WHY IS IT IMPORTANT TO IMPROVE YOUR SPEED TO MARKET?

- ☺ HAPPIER CUSTOMERS
- ☺ FASTER CASH CYCLES
- ☺ HIGHER MARGINS
- ☺ IMPROVED QUALITY
- ☺ REDUCED RELIANCE ON PROJECTIONS > TRACK DEMAND
- ☺ LOWER INVENTORY REQUIREMENTS
- ☺ REPEAT BUSINESS IS ALWAYS MORE PROFITABLE
- ☺ LESS TIME FOR SOMETHING TO GO WRONG

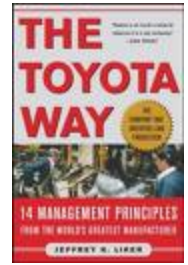


WOODEN SHIPS IMPROVED SPEED TO MARKET BY CHANGING THE BUSINESS STRATEGY

- Lean vs. Mass Production
- Factory Direct vs. Distributors / Warehousing
- Made-To-Order vs. Stock
- Strategic Partnerships vs Going it Alone



Lean = The Toyota Way



The 14 Principles

Section I — Long-Term Philosophy

Principle 1 - *Base your management decisions on a long-term philosophy, even at the expense of short-term financial goals.*

Section II — The Right Process Will Produce the Right Results

Principle 2 - *Create a continuous process flow to bring problems to the surface.*

Principle 3 - *Use "pull" systems to avoid overproduction.*

Principle 4 - *Level out the workload*

Principle 5 - *Build a culture of stopping to fix problems, to get quality right the first time.*

Principle 6 - *Standardized tasks and processes are the foundation for continuous improvement and employee empowerment.*

Principle 7 - *Use visual control so no problems are hidden.*

Principle 8 - *Use only reliable, thoroughly tested technology that serves your people and processes.*

Section III — Add Value to the Organization by Developing Your People

Principle 9 - *Grow leaders who thoroughly understand the work, live the philosophy, and teach it to others.*

Principle 10 - *Develop exceptional people and teams who follow your company's philosophy.*

Principle 11 - *Respect your extended network of partners and suppliers by challenging them and helping them improve.*

Section IV: Continuously Solving Root Problems Drives Organizational Learning

Principle 12 - *Go and see for yourself to thoroughly understand the situation.*

Principle 13 - *Make decisions slowly by consensus, thoroughly considering all options; implement decisions rapidly.*

Principle 14 - *Become a learning organization through relentless reflection and continuous improvement.*

http://en.wikipedia.org/wiki/The_Toyota_Way

Liker, J (2004). [The Toyota Way: 14 Management Principles from the World's Greatest Manufacturer](#). McGraw-Hill. ISBN 0071392319.

LEAN CONCEPTS

- 5S
- GO and SEE
- RIGHT FIRST TIME
- SINGLE PIECE FLOW
- SMALLER BATCHES
- VALUE STREAM MAPPING
- LINE BALANCING
- PULL
- STOP AND FIX THE PROBLEM
- 5 WHYS
- CONTINUOUS IMPROVEMENT

BEFORE:

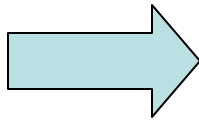
PRODUCTION LEADTIME
(weeks to months)

AFTER:

1
D
A
Y

Most items now are completed in less than one day.

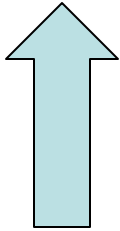
DETAILS - DETAILS - DETAILS



STANDARDIZED WORK

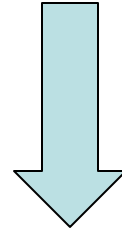
P_{LAN}

D_o

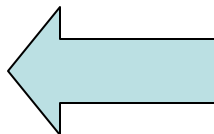


A_{DJUST}

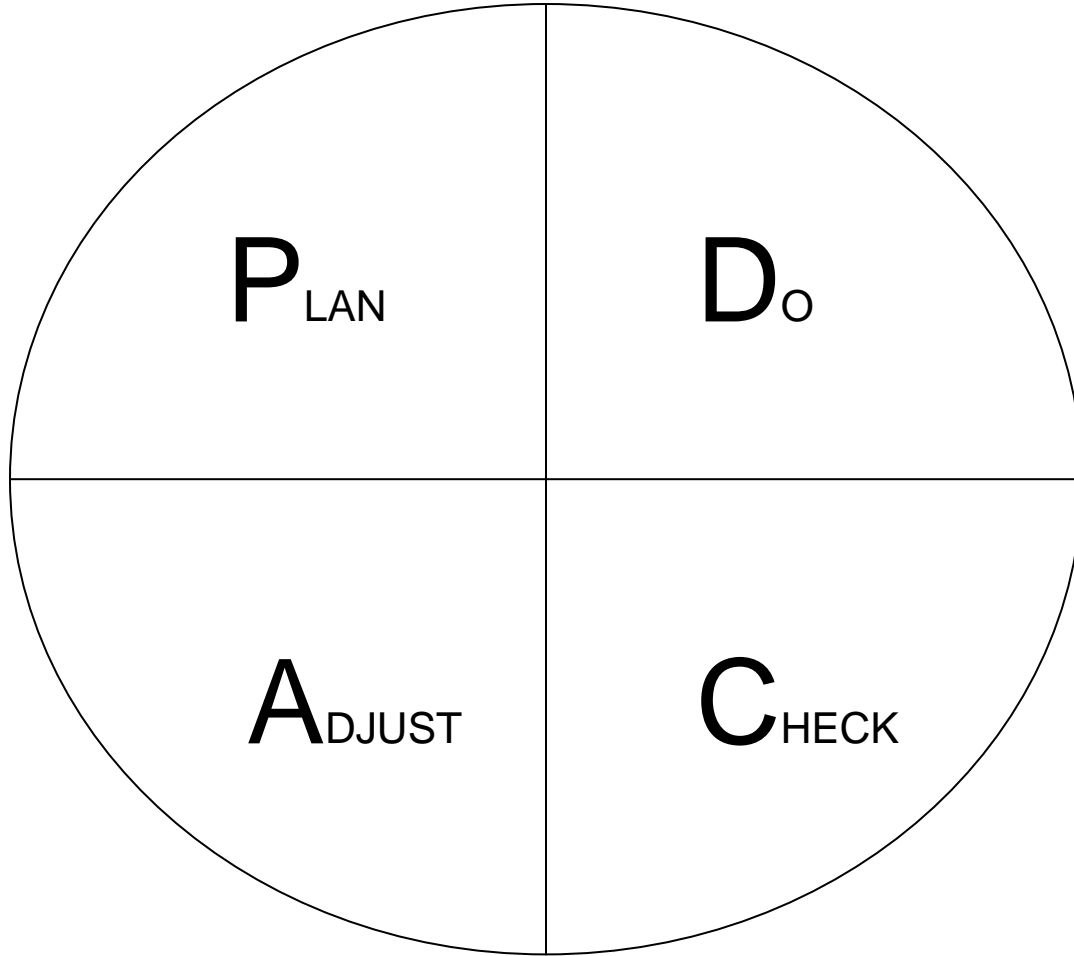
C_{CHECK}



JOB INSTRUCTION TRAINING



STANDARDS



ELIMINATE WASTE

- Overproduction
- Waiting (time on hand)
- Unnecessary transport or conveyance
- Over-processing or incorrect processing
- Excess inventory
- Motion
- Defects



FACTORY DIRECT

- 5 -10 Days Door-to-Door service
- FEDEX IED (International Economy Distribution)



- No Customs Brokers
- No Trucking
- No Third Party Warehouses
- No Headaches

BEFORE:

DELIVER
2-3 WEEKS

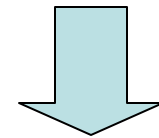
Regular airport delays,
customs mistakes, trucking
delays, warehouse delays,
lost and damaged packages.

AFTER:

5-10
DAYS

MADE-TO-ORDER

- NO GUESSING
- NO COUNTING
- NO SHRINKAGE
- NO PHYSICAL INVENTORIES
- NO WAREHOUSE



Stock photography. Not Wooden Ships.

STRATEGIC PARTNERSHIPS



Lean Enterprise Institute
lean.org



650+



B²



BALI EXPORT DEVELOPMENT ORGANIZATION



AVOID THE SPEED TRAP



- QUALITY MUST COME FIRST
- YOU HAVE TO BE ABLE TO GO SLOW BEFORE YOU CAN GO FAST
- GO VERY SLOW AT FIRST, BUT GO!

THANK YOU!

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