

SUCCESS STORY



Customer-Focused Innovation—a Next Generation Manufacturing Success Strategy

Dutchland Plastics Spurs Growth



Strategic planning builds a solid foundation for growth

Dutchland Plastics Corporation, based in Oostburg, Wisconsin, was established in 1967 and continues today as a family-owned business with 200 employees and revenue of \$25 million annually.

The company specializes in custom rotational molding, blow molding, and the assembly of plastic products. Design, material selection, processing, and project management assistance are key value-added services Dutchland offers to customers.

Jeff Van Straten, chief operating officer, joined Dutchland two years ago as a financial consultant. Jeff immediately understood that Dutchland was at a crossroads: though the business was solid, the market and economy were changing rapidly and the company needed to develop a more formal structure and planning process in order to prepare for the opportunities and challenges to come.

Accessing external expertise

Van Straten's first step was to establish a board of directors so that Dutchland executives would have access to the valuable insights, knowledge and expertise of a range of experienced business leaders. His second step was to engage a consulting firm to guide the firm through a strategic business planning process. "As a business owner, I understood the value of hiring consulting experts to guide and facilitate

Dutchland Results:

Dutchland Plastics retained WMEP to help the company develop a strategic business plan that has put the company on the path to profitable growth:

- Lead times and work-in-progress times have been drastically reduced
- the quantity and quality of quotes have been increased; the company now quotes only business that fits its target market.
- The move to consolidate facilities is 80% complete

change. In many small businesses, people have a 'can-do' attitude and don't see the value in using consultants. However, my experience has shown that good advice and guidance can really make all the difference for a small business."

After extensively interviewing four companies, Dutchland hired WMEP. "I really liked WMEP's infrastructure," said Van Straten. "They have the backing of a national support network, they are focused exclusively on manufacturing, and their consultants



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were extremely knowledgeable, accessible and just a great fit for our company.”

“We were very excited to work with Dutchland,” said Randy Bertram, regional manager for WMEP. “They are an exceptionally talented, experienced and motivated group, and they accepted the heavy time and work commitment required by the strategic planning process.” Over a period of four months, in 12 one-half day sessions, a team of specialists from WMEP worked with a core group of 11 employees from Dutchland to develop the strategic plan.

Fire-fighting versus planning

The first step in the process is to look at what is working/not working right now. “We were really good at fighting fires,” said Van Straten. “Initially, employees didn’t understand why we were committing time and energy to planning when Dutchland, like most other manufacturers, was facing an economic crisis. Over time, we were able to convince people that developing a solid plan and sticking to it is the best way to manage risk and get out of the fire-fighting mode.”

After almost five months, the Dutchland strategic planning team presented their plan to the company. They’d analyzed their own data, benchmarking information, the market, and their strengths and weaknesses, and came up with a plan based on three core objectives:

1. Reach \$50 million in revenue in three years through controlled and profitable growth
2. Truly embrace Lean, including the consolidation of the operation to one facility in Oostburg (down from 2)

3. Attract, retain and develop human talent – invest with a purpose - then set employees up to be successful.

Despite some initial skepticism, the plan was taken to heart by company employees.

Staying on target

“Now, everything we do ties back to one of these three objectives,” said Van Straten. “For example, in the past, we might quote business that was marginal in size or value and maybe even take on business just to grow revenue. After going through the strategic business planning process, we now know what business to target and why we are targeting it.”

Dutchland is well on its way to achieving other objectives as well. The move to consolidate facilities is 80% complete, and by implementing Lean processes, they’ve reduced lead times, slashed work-in-progress and have dramatically increased the quantity and quality of quotes for new business.

“By working with WMEP, we got the help we needed to stay on task and focus on our priorities,” said Van Straten. “I recommend WMEP’s strategic business planning to any company that really needs to make a transition toward focusing on planning rather than reacting. It’s made a huge difference for us.”

For more information, visit www.wmep.org or call 1-877-856-8588.

