Adding Value

According to this Manitoba shop owner, the old ways of doing business are history

Back in the day, machine shop customers were content to receive a competitive price, on-time delivery or excellent part quality, but seldom did they demand all three. Today, these attributes of a successful manufacturing company are expected, and any shop owner that can't consistently provide them will eventually find him or herself out of business.

Rolf Gretschmann knows all about it. Together with his brother and father, he purchased Standard Manufacturers Services Ltd., a small machine shop in Winnipeg. That was 1982, and a great deal has changed since.

For starters, in 1992, Gretschmann bought out his family’s shares of the business and is now the sole owner and president. His shop currently employs 100 people and its’ production floor has grown to 6,500 sq m (70,000 sq ft). As part of its growth strategy, Standard Manufacturers Services has evolved and expanded its services from machining parts to becoming a full-service foundry, including engineering services. And Gretschmann continues to focus on quality and on-time delivery, all while adding a third criteria to his checklist: value.

Automation is Key
“T’ve seen so many shops over the past 10 to 15 years that have struggled because they failed to evolve,” he says. “I have challenged my team to look for ways to become more efficient in everything that we do, and automation is a big part of that. For all new projects, we look to automate wherever possible, and we have seen this translate to higher levels of efficiency and quality that benefits us and our customers. In fact, it creates an environment that our employees want to be a part of. From our experience, this commitment to improving our service...
and efficiency through automation also helps strengthen the relationships with our clients.”

Gretschmann plans to increase the number of robots within the foundry and machine shop to eight within two years. There are currently a pair of gantry robots on the multitasking machines, and another on a five axis machining centre, with more in the works as customer demand increases.

Gretschmann also believes that today’s shops need to become more of a full-service provider, a true partner that can work closely with their customers on challenging product designs and help them solve their internal problems. “That’s how you differentiate yourself from your competition in the modern era,” he adds.

Another differentiator is company growth, a challenge that Gretschmann is meeting head-on. In early 2019, he embarked on a journey to double his business in five years. He started by making significant investments in new equipment, including a pair of multitasking lathes, several five-axis mill-turn centres from Elliott Matsuura Canada Inc., and a five axis machining centre. Standard also opened a U.S. sales office in 2019 to support its growth plans in the years ahead.

**Automate to grow**

Gretschmann and his team are committed to automating processes wherever possible, something they’ve been doing for the past six years. “We quoted a job that was being machined on a pair of horizontal machining centres and a lathe,” he says. “By using a robot and a twin-spindle, twin-turret lathe, we estimated we could complete the part in a single operation and increase throughout by 50 per cent. I had a hard time justifying the cost at the time, but I knew it was the path forward for us. It turned out to be the right decision.”

“We’re targeting work that we can automate,” he says, “from trucking, railroad, renewable energy, mining and other sectors… anything with estimated annual units in the 1,000 to 100,000 parts per year range. That’s a perfect range for automation, both in the foundry and the machine shop.”

One lesson learned from that early experience is don’t go it alone. Though it was tempting to install the robot using his own people, Gretschmann decided to have Elliott Matsuura Canada, its machine tool distributor, take care of the setup and configuration. “Get some help on the first couple of installations,” he suggests. “Between the grippers, the integration, the communications and programming, and especially the safety… there’s just way too much to learn on your own.”

**Across the table**

Another integral part of the strategy at Standard is to be in face-to-face contact with their customers as much as possible. “It’s so easy to communicate by email or videoconference, and we certainly do use those methods. We believe though, that it’s critical to be across the table with our clients, building trust and strengthening relationships between our teams. That’s important to me, and I find the best solutions to complex challenges are as a result of real-time, in-person collaboration between our team and our customers. It’s an important part of our value proposition, and an investment that we are proud to make in our customer relationships.” SMT