

CASE STUDY

Rapid Value Creation in Private-Equity Portfolio Companies

Jason's CEO aimed high—setting performance goals that some executives considered impossible—but it paid off in the end. Strong leadership, aggressive objectives and a transformative action plan make the impossible a reality.

Client

Jason is a global family of manufacturing companies that serves customers in Finishing, Seating, Components, and Automotive Acoustics.

Challenge

How to create a organization focused on key value drivers. Needed to integrate an outside partner into their investment review process for acquisitions. How to reduce lead times, improve quality, create pricing flexibility and facilitate innovation.

Solution

Operational due diligence, valuation of lean opportunity pre-LOI; policy deployment and lean implementation post acquisition. Helped to embed lean culture while reducing costs, eliminating waste, and streamlining processes.

Results

Increased profitability 40% each year for three years; recovered 200,000 square feet of manufacturing space; reduced inventory by 21%; inventory turns up 2X; gross profit up 8%; helped Jason to become a global leader in 90% of its niche markets.

"We set stretch goals two years ago that each of my presidents thought were ludicrous..."

"...and we've exceeded them every year," says Dave Westgate, President and Chief Executive Officer of privately held Jason Incorporated, a global diversified manufacturing company headquartered in Milwaukee, Wisconsin. "We've increased profitability 40% each year, recovered over 200,000 square feet of manufacturing space, drastically reduced inventories and added hundreds of millions in revenue."

Jason began working with TBM in 2005. "We weren't realizing our intrinsic value as a public company," adds Dave. "Effective private owners like ours establish aggressive goals – we basically had a two-year window to execute a five-year plan for transforming the company. TBM is very comfortable in situations like this. They immediately began to show us, hands on, how to use the Policy Deployment process and LeanSigma methodologies to quickly drive Operational Excellence and culture change throughout our five businesses."

"If we don't live and breathe our LeanSigma® transformation from the top, it'll never work. It has to be led by our entire management team. For culture change to take hold, our people need to see that we're passionate about lean and actively involved."

— David Westgate,
President and Chief Executive Officer, Jason Incorporated



“Policy Deployment has been critical. It helps us identify what’s really important to the company – the vital few objectives that our lives depend on. More importantly, it tells us what we should not be focusing our resources on. We also use it as a communications tool to cascade those objectives down through each level of the organization, so everyone is focused on what we need to do. And LeanSigma processes provide the speed and toolsets for achieving and sustaining Operational Excellence, the foundation for profitable organic growth.”

Today, Jason is either the North American or global leader in 90% of its niche products. “The active example set by my entire management team has been essential. One of us is always on a kaizen team, on a shift-change walkthrough or involved in some other activity with our workers – to demonstrate how important this is for all of us. It’s a journey that’s never done because substantial improvement opportunities always exist.”

Results At-a-Glance



Increased profitability 40% each year



Liberated 200,000 square feet of manufacturing space



Reduced inventories



Increased revenue

SPEED WINS EVERY TIME

TBM specializes in operations and supply chain consulting for manufacturers and distributors. We push the pedal down in your operations to make you more agile and help you accelerate business performance 3-5x faster than your peers.

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