

CoverStory

Reviving a commercial shop

An engineer returns to his home town to buy and fix an ailing shop

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Shop Snapshot



Company: Vanguard Countertops Inc.

Location: Dubuque, Iowa

Founded: 1960

Proprietor: Brian Gilligan

Primary product:

countertops, commercial cabinets, POP displays & store fixtures

Number of employees: 15 (3 part-time)

Annual sales: \$1.7 million

Shop size: 14,000 square feet

Key equipment:

- ▶ C.R. Onsrud Panel Pro CNC router
- ▶ Planit Solutions' Alphacam and Cabnetware software
- ▶ Brandt Optimat KD56 edgebander
- ▶ Schmalz Jumboergo panel handler
- ▶ Midwest countertop cut station
- ▶ Holz-Her 1205 Super Cut panel saw
- ▶ 2 SawStop table saws

Web site: www.vanguardtops.com

Brian Gilligan readily admits that when he purchased Dubuque, Iowa-based Vanguard Tops in 1997, he didn't know anything about manufacturing cabinets or countertops.

"The purchase had nothing to do with the product," Gilligan says. "I had identified four manufacturing businesses that had no heir apparent, an owner who was up in years, and a business of a size that I thought I could afford and handle. I talked to those four owners, and one of them was the owner of Vanguard."

It took four years from Gilligan's initial contact with Vanguard to complete the deal. By that time, the company was on a downward slide. "It was a sick horse," Gilligan says. Nonetheless, Gilligan, an engineer by training, was not concerned. He was looking for a company he could fix.

Now, Vanguard Tops is a highly efficient operation, with annual sales that are more than double their 1997 levels with only a slight increase in

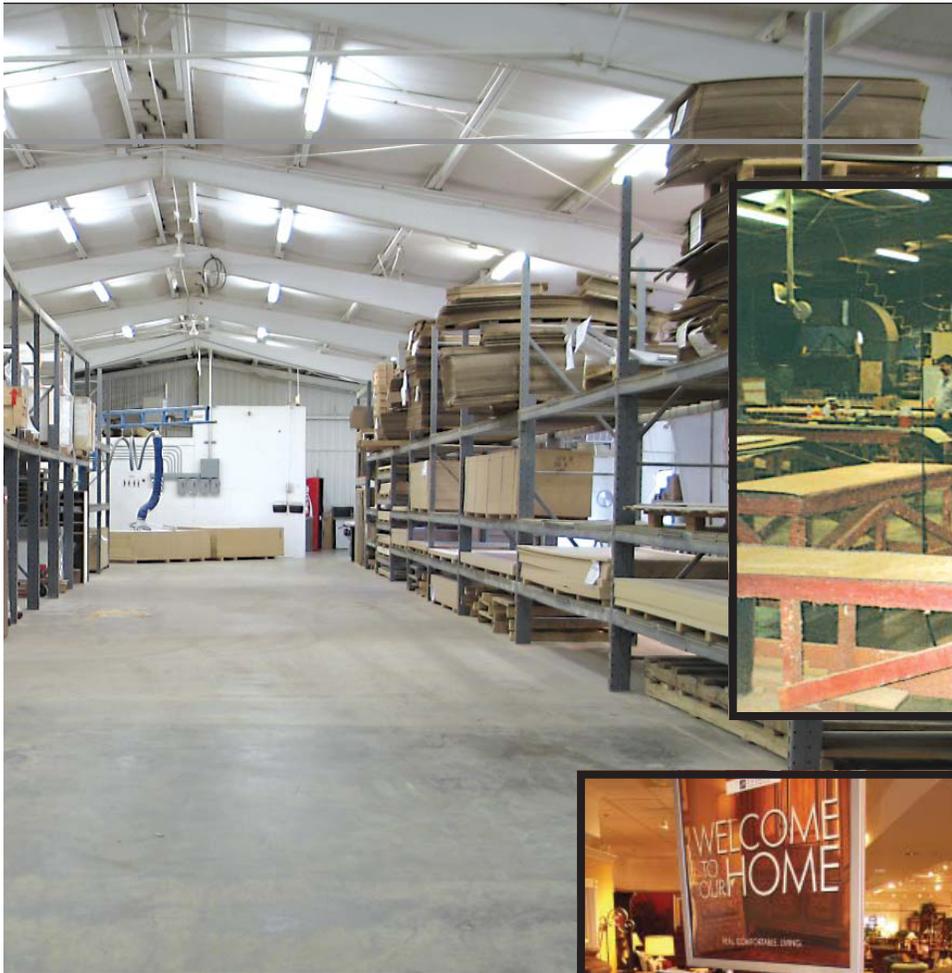
personnel. Vanguard sells countertops through a dealer network, commercial countertops and cabinets to contractors, and creates point-of-purchase displays for a number of high-profile commercial clients.

Beginning the fix

After purchasing Vanguard, Gilligan immediately began putting systems and processes in place. "We have processes for everything," he says. The processes, and the efficiency they create, are particularly evident in the speed in which quotes and bids are generated.

For countertops, dealers fax layouts to Paul Pettinger, residential project manager, who works up the quote and faxes it back to the dealer, usually in less than an hour. That speed makes sales. Gilligan says it is not uncommon for the order to come right back on the heels of the quote.

Plans for commercial countertops, cabinets and point-of-purchase displays go to commercial project manager Jeff Dalton who does take-



Before — When Brian Gilligan purchased Vanguard, above, the shop had very little logic or flow in its set-up.

After — The new layout, far left, leaves an open center aisle for the forklift to move quickly without endangering employees. Custom countertop work and counter stock is done on the right side of the shop. Cutting and commercial work is done on the left.

offs and generates the bid. A bid for an average-sized project – if received in the morning – can be turned out by Dalton by the end of the day. If the bid is won, Dalton enters the information into Cabnetware’s Cabnetworks Euro software, then through a screen-to-machine module that converts it into Alphacam and sends it to the CNC router. Once projects go to the floor, plant manager Andrew Smith is responsible for seeing the project through to completion.

A new shop lay-out

When Gilligan bought Vanguard, there was little to no logic to the shop layout. Now, the shop is neatly divided into three distinct sections that run the length of the building. In the center is a large, open space flanked by shelves that are open on both sides. The center area is reserved for the forklift, allowing the driver to load materials onto the appropriate racks from one side while also allowing employees to pull materials



High profile — Wrangler is just one of many well-known commercial clients for whom Vanguard builds displays.

from the other side without fear of a forklift-employee collision.

On the right side of the shop is the area for custom countertop work, such as solid-surface tops or tops that require a special undermount sink. The area is designed to be flexible. For lay-up work that requires a stable, flat surface there is one table. The rest of the area is made up of sawhorses that can be moved to handle projects

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A successful gamble

Gilligan was trying to convince the executives of one high-profile client why Vanguard should be their fixture supplier. After making his case, one executive spoke up and said “No offense, but why should we hire you when the ‘talent’ wants another company?”

Gilligan responded “Here’s why.” Gilligan began laying pictures down on the table, one at a time, like playing cards. The pictures clearly showed problems in workmanship and quality of fixtures that had been built by the current supplier and that were already out in the field.

After the first picture went down on the table, the executives began getting up from their seats and bending over the table, looking at each new picture as it was laid down. There were 40 pictures in all.

By the time the last picture went on the table, no more was said about the current supplier. Vanguard got the job.



Fast delivery — Vanguard keeps two styles of 15 colors of countertops in stock. Tops in stock colors can be delivered in a day and a half. Here, shop technicians Brett Avenarius (l) and Kevin Peebles pull a top for an order.

of various sizes. The flexible setup allows for one to four employees to work in the area at one time.

Countertop flow

Postformed countertops are stored down from the custom area. Vanguard keeps two styles and 15 colors in stock in 8-, 10- and 12-foot lengths. Lead times are a day and a half on in-stock tops.

One unique initiative of Gilligan's is replacing Vanguard's old system of making drawings for each order. Gilligan uses "countertop-ese," a language he created using alpha-numeric characters that represent different dimensions and options of a countertop. "I can describe a countertop now by saying 'k137clrr, 1.5rfl, which means kitchen depth, 137 inches long, cap left, raw right, 1-1/2-inch radius on the front left' and put the quote on one



All about systems — Brian Gilligan, Vanguard president, believes that any business can be made more successful if a good set of systems and processes are in place.

page," Gilligan says. "The language is easy to learn, and all our employees and dealers know it. It makes things easier and nicer," Gilligan says.

Countertop craftsman Kevin Peebles pulls tops from inventory and takes them to the left side of the shop to be cut on a Midwest cut station. Tops then move up a roller line for staging, assembly and finishing.



Careful flow — After cutting, countertops move on rollers up the side of the shop for finishing and assembly. As many as six employees can work in this area if workload is high.

All work tables are set up the same, with identical tools hanging in the same place on each table.

Gilligan also replaced Vanguard's batch system. "In the new procedure, the first one through is the first one out the door," Gilligan says. "There are only two to three hours of labor on the average job, so why can't the client get it in two or three hours?

They can, if you stage it properly."

Commercial work

Beyond the countertop assembly area is where commercial work and point-of-purchase displays are built. A Panel Pro CNC router from C.R. Onsrud is located in this area, next to racks of melamine for ease of material movement. After a piece has



Big cuts — Shop technician Brian Doser operates a Panel Pro CNC router. Commercial cabinets and store fixture pieces are cut and assembled near the front of the shop.

been assembled and graphics added, the piece is wrapped and palletized, then stored on nearby racks.

To make best use of the CNC machine when building commercial cabinets, Vanguard uses a semi-batch process, building in sets of six. The batches of six correspond to six nearby racks for storing cut parts.

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Depending on workload, up to four employees can work in the area. "This way, we're able to expand and contract with work flow," Gilligan says.

Breaking into commercial

Gilligan claims that it was luck that got Vanguard into the point-of-purchase and store display business, though he admits there might be a bit more to it than that. "Now, getting yourself in the right position to have luck land on you? That may be a little bit of skill," Gilligan says.

Several years ago Vanguard was selected to build countertops and cabinets for a local store, which was to be the first of 100 Flexsteel furniture stores. Gilligan looked at the fixtures in the store and realized Vanguard could build them better. It took several months of calls, networking and more calls, but finally

Keeping employees involved

To be hired at Vanguard Countertops Inc., the candidate must be unanimously approved by the Vanguard staff, which isn't always easy. Recently, one employee in the shop had some questions about a candidate, so Gilligan called the candidate back. The candidate met with the shop employee and asked the candidate his questions. The shop employee ultimately gave the candidate a thumbs-up.

However, there have been times when the entire staff has

voted yes except for one person, and if that one employee has no desire for a follow-up meeting, then the candidate is not hired. Gilligan admits that at times this can be frustrating, but he stands by the policy. "If you want your policies to have any teeth, you have to stand by them," Gilligan says. Gilligan says that investing such a large amount of power in the floor employees gives them an incentive to help the new hire work out and fit in, since they have a vested interest.

Gilligan got permission to bid on building the fixtures for the remaining 99 stores, a \$2.5 million project.

"At the final meeting, I was sitting in the office with the folks from Flexsteel and they said, 'You're better, you're cheaper, we like you better, you're local, we think your service would be better, but you're an unknown, we have to go with the known.' I was crushed," Gilligan says.

However, a member of the Flexsteel group did offer Gilligan something — a fabric rack, the design of which was sketched on a napkin. They needed 64.

Gilligan was dejected, but said he would do the fabric racks. As it turns out, in just a couple of years Flexsteel abandoned the 100-store concept. In the meantime, the 64 fabric racks turned into several

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DON'T BUY
A CNC
ROUTER.

...until you've talked to C.R. Onsrud