



An ATAC Client Success Story



AUBURN

TECHNICAL ASSISTANCE CENTER

COLLEGE OF BUSINESS

Jo-Ann Stores Inc., a leading national specialty retailer of crafting, decorating and sewing products, involved students through the Auburn Technical Assistance Center's student outreach

program in the continuous improvement effort at its Opelika, Ala. distribution center. Through providing assistantships to five graduate students, the company achieved a cost-effective way to conduct performance time studies in all of its operating areas and develop engineered performance standards. The students are credited with garnering a near 100 percent efficiency improvement for the company in total throughput and overall quality.



Student outreach helps firm improve, standardize

When in the pursuit of continuous improvement, achieving a 30 percent efficiency enhancement within a single focus area is not insignificant in any company's estimation. Permeating such successes throughout an organization to attain near 100 percent improvement is something to get excited about. When that success is directly related to the input and involvement of university outreach assistance and students, the results might be considered unheard of.

However, for the Jo-Ann Distribution Center located in Opelika, Ala., it's a matter of fact success story credited to the quality performance of a group of Auburn University graduate students working through Auburn Technical Assistance Center's (ATAC) student outreach program.

"And we are truly excited," says Hugh Buford, general manager of the Opelika distribution center.

Jo-Ann Stores Inc., a leading national specialty retailer of crafting, decorating and sewing products, opened its Opelika distribution center in 2006. The facility – one of only three Jo-Ann Distribution



Centers in the United States – covers 87 acres with 17.5 acres (some 700,000 square feet) of covered, air-conditioned building area; 100 loading dock doors; and more than six miles of conveyor lines – all in continuous operation.

"We service 177 different Jo-Ann stores in a 20-state region," said the facility's transportation manager Freddie Sessions.

"With the equivalent of a four-story shipping and receiving facility larger than 13 football fields, one can only imagine the challenges faced in providing timely and accurate service to a retail outlet customer base that deals in multi-million-dollar

sales and order volumes every quarter," Buford emphasizes. "We needed to have operating standards, but we did not have the expertise and manpower in house to help us develop them."

Buford turned to the College of Business at Auburn University and ATAC.

ATAC launched its graduate student outreach program just more than a year ago as a solution to meeting needs such as those encountered by Jo-Ann.

"We involve largely business and engineering graduate students and seek to place them into assistantships to assist our client companies," said ATAC's Dave Devore, who coordinates the student outreach program.

Before operating standards could be developed, Buford needed to know how much time operators were spending in various tasks.

"In the first part of the project we conducted time studies on the different packing and order picking processes," Buford said. "We involved five different graduate students to work up to 20

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**-- Hugh Buford
General Manager**

hours per week for this process, and the results were fantastic.”

Buford notes that not only did the students arrive already trained in what to do, but the relationship was very cost effective.

“We actually were able to meet our need in a quick and timely manner for less cost than any other option we considered,” Buford said.

Some 65 percent of the distribution center’s employees are involved in order packing, picking and shipping/receiving functions, according to Buford.

“We were meeting our orders before this project, but could only guess at the time involved and actually needed for those tasks and ways that we could make improvements,” Buford said. “We measured everything. We looked at wasted movement and activities and reduced or eliminated those. We developed an engineered standard to perform to. As a result, throughput and quality overall has improved nearly 100 percent.”

But the successes from the student outreach effort at Jo-Ann do not end here.

“The students did a fantastic job for us,” Buford adds. “We learned that the group’s leader, Venu Vulasa, was about to finish his Industrial Engineering Masters program. We quickly hired him.”

Vulasa presently is dedicated to continuing the development and operational standard improvement program at the Opelika center.



Jo-Ann Distribution Center General Manager Hugh Buford, left, stands with Venu Vulasa in the Opelika facility’s 700,000 square-foot shipping and receiving center. Vulasa led the five-student project assistance team that aided the company and was later hired by Jo-Ann as its industrial engineer after completing his master’s degree program.

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Auburn Technical Assistance Center was established in 1976 and is an affiliate of the Alabama Technology Network and an Economic Development Administration University Center. As an arm of the Auburn University College of Business Outreach program, ATAC provides business and technical assistance, customized training, and consultation in implementing value-added strategies to manufacturers and other businesses, not-for-profit organizations and government agencies in Alabama and the Southeast.

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