

BGS Helps Greno Industries Take off in Aerospace/Defense Industry with AS9100D

GRENO INDUSTRIES INC.

For 57 years, **Greno Industries** has been serving the metal cutting industry. The Scotia, N.Y. manufacturer of computer numerical control (CNC)-machined parts supplies a variety of industries worldwide, including aerospace/defense, power generation, oil and gas, transportation, mining and food processing.

By 2015, it was clear to Greno's management that changes in the oil and gas and power generation industries were poised to adversely impact the woman-owned manufacturer's revenues. That prompted Greno to identify an expansion into the aerospace/defense industry as the best avenue for growth. However, only once before – with oil and gas – had President and COO Eileen Guarino pursued such an aggressive market expansion. And the aviation/defense industry was far more complex with more stringent certification requirements.

Since 1994, Greno had been ISO 9001 certified, but for this market expansion it would need to upgrade that to AS9100. Furthermore, aerospace and defense suppliers have until Sept. 15, 2018 to transition to the new AS9100D standard, which encompasses ISO 9001 and features an additional 105 quality and safety requirements.

To prepare Greno for this transition, Guarino tapped the **Center for Economic Growth's Business Growth Solutions (BGS)**, a National Institute of Standards and Technology (NIST) Manufacturing Extension Partnership (MEP) center. With funding support from the Workforce Development Institute as well as National Grid's Manufacturing Productivity Program that BGS helped secure, Greno was able to take advantage of a suite of services that would aid the



Greno Industries shop floor in Scotia.

organization in the transition to the new AS9100D and allow it to maximize the benefits of that certification.

In 2016, three Greno employees, including Guarino, participated in **VIA Revenue Throughput** (VIA RTP) classes, which are designed to help equip small- and medium-sized firms identify revenue opportunities and priorities as well as obstacles to growth. The goal of the VIA RTP classes was to help Greno develop systematic processes through which they could get more business with current customers and to develop a strategy to capitalize on opportunities leveraged by their anticipated certification upgrades. Guarino said VIA RTP provided her with a clearer understanding of Greno's strengths and weaknesses as well as the competitors it would encounter in its new market.

"It's so process-driven....There's a whole thought process going into a different market, so we're not jumping around," she said.

Center for Economic Growth

To assist Greno in complying with AS9100D, BGS helped the manufacturer receive a gap analysis, which was performed by a lead auditor. The gap analysis evaluated 42 elements, with the manufacturer achieving compliant or partially compliant ratings for a majority of them. That prepared Greno for the Stage 1 and 2 AS9100D audits, which were performed last April and July. The auditors discovered only one minor nonconformance, whereas the industry norm is two. Last August, Greno became one of the first U.S. companies to be AS9100D-certified.

Between those AS9100D audits, in May 2016, Greno took advantage of a new NIST MEP pilot program: The Next Generation Supplier Program. Through this program, the manufacturer was able to meet with representatives from several OEMs – including Raytheon, General Dynamics - Electric Boat, BAE and United Technologies – and learn about their requirements, expectations, and potential areas for opportunities. As part of this NIST MEP pilot program a CoreValue Operational Assessment was done on Greno's capabilities and health as a supplier.

The CoreValue tool complemented the VIA RTP classes; it analyzed 18 value drivers split between Greno's markets and operations to create a fast, high-level assessment of operational strength. As the data is gathered, the CoreValue tool creates reports detailing a company's current enterprise value, potential enterprise value, value gap, value gap by driver, red flags and an actionable roadmap. CEG BGS then works with companies and their management teams to address bottlenecks to growth and operational performance. ■

Project Impacts:

A Q4 2016 NIST MEP survey found the VIA RTP program, along with a Sandler Sales training that its sales executive received in 2014 had the following impacts:

» IMPACTS «

\$600K

Retained sales

\$120K

Cost savings

\$225K

New products & processes

All CEG members have access to BGS services, which include programming for lean enterprises systems, technology acceleration, quality improvement, cost reduction, new market expansion, management strategy and sales growth.

To schedule a consultation with CEG BGS Director Michael Lobsinger email michaell@ceg.org or call **518-465-8975 X238**.