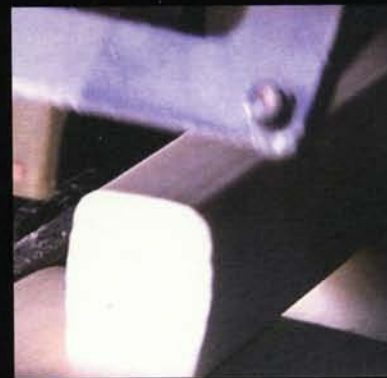


# Into a cluster

*Bradford Soap Works Inc has a fair passage but its dynamic president and CEO Steve LeGraw is taking it into uncharted waters to stay ahead of all competition, as he explained to John O'Hanlon*



**B**radford Soap is named after its founders' town of origin in Bradford, England. James Rogers and William Murgatroyd set up their company at Rhode Island in 1876. At first, the company specialized in industrial soaps for use in textile manufacturing, but after the second world war it moved toward wider markets in personal care and domestic soaps. And today, it is the world's largest manufacturer of specialty soap bars, and produces a wide range of personal cleansing products as well as industrial chemicals.

Rogers and Murgatroyd would no doubt be pleased to know that the company they founded has expanded back into Europe. A modern facility at Chester, England, has research and development (R&D) and manufacturing capabilities to produce just about the whole Bradford product range for the growing European market.

Steve LeGraw, president and chief executive officer, told me about his company's close association with its customers. "We can do whatever they want us to. If they want us to produce soap bars to their own formula, using materials supplied by them that is fine. But, at the other end of the spectrum, we often get involved in the design stage, researching the markets, advising them on what colors, fragrances or textures are hot. Then, we can do the R&D work, source the materials and ingredients; and last but not least, manufacture the product."

LeGraw has pushed through change in the company's organization, in its culture and in the manufacturing process itself. "We have organized around three divisions, reflecting the different types of services we offer," he said. "Firstly there is the creative division, where we research the market, anticipate trends and then develop

**Above**  
(Clockwise from top left) bases being combined with fragrance and additive; the amalgamation, milling, refining process; extrusion and cutting into billets for stamping and finishing; and completed bars of soap on the production line

innovative product ideas for presentation to our customers. Then there is the custom division – in this division we use our global view to help customers tighten the alignment between product attributes, brand strategies and market directions. We then customize a solution within a framework of shapes, colors, fragrances and additives that we present in our Custom Options program. Finally, there is the contract division, where we produce long runs of product entirely to the customer's specification.”

LeGraw's aim is to be the best in each of the three divisions, however, success in each division results in “integrated synergy” (a term borrowed from Jack Welch) for every customer in each division. For example, a large global brands customer (which generally requires long runs of contracted product) may wish to try new products with shorter runs. This creates a lot of opportunities to cross sell all the company's capabilities.

His vision is to focus his plants to enhance competitiveness within each division. For instance, one plant may be dedicated to longer runs resulting in the most efficient production; while other plants will be designed as specialty plants where the operative mission is flexibility.

“We can become quite efficient with long production runs, if we can dedicate our lines in such a way to reflect a more structured situation,” said LeGraw. “Toward that end, we have invested in high speed lines so as to gain greater efficiency. To gain flexibility, we have invested in both equipment and MIS systems. Our MIS system helps us find ways of efficiently using varying combinations of the equipment. That, combined with

keeping the equipment mobile — to respond to our scheduling decisions — enables us to customize the lines while also achieving maximum capacity utilization.”

Every manufacturer is looking for that best seller that will run and run, but to find these, manufacturers must support new product development. To this end he has developed the concept of “clusters,” whereby the plant can be configured each day to fit the order book. “Cluster management is a way of prioritizing the entire order book so that customers get what they want, when they want it.” The scheduler is normally concerned with manufacturing the products that are required that week. But, as LeGraw explained, it is a lot cheaper to manufacture all the orders that call for a particular cluster at the same time, and if necessary hold stock in store, than it is to reconfigure the line when the second order is due. Just as importantly, it is a way of driving visibility into the process.

Supply chain problems are highlighted by the visibility inherent in the cluster system. “The more complexity there is in the material resource planning (MRP) cycle, the more difficult it is to manage. For instance, if a product fits neatly into cluster X but calls for an exotic ingredient imported from Thailand, and we don't have it, we can't bring that product forward to its optimum place in the production cycle.” Clusters, LeGraw is convinced, will help deliver his vision for Bradford Soap to be the best at lowering costs, while also maximizing the potential of developing brands. Being proactive in bringing down costs by moving products to higher speed lines will surely delight customers. ●