

Donnelly exec problem solves

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TAMPA, FLA. — You've heard of *Desperate Housewives*, but Ron Kirscht told a *Plastics News* Executive Forum audience about the "Desperate Molder" who spreads around insane pricing with quotes that don't cover the price of resin.

"It just has no tie to economics in the real world. It's absolutely insane pricing. But an [original equipment manufacturer] sees that, and they fall in love with that pricing. And all of a sudden you're left to defend why your pricing is not the lowest number," he said.

Molders need focus and discipline to beat that back, said Kirscht, president of Donnelly Custom Manufacturing Inc. of

Alexandria, Minn. "It creates an erosion in the association between cost, price and value," he said.

Donnelly is highly focused — on short-run, close-tolerance parts and forming long-term, strategic relationships with customers.

Donnelly excels in the key areas of mold changeovers and manufacturing launches. Leaders meet every day in a "war room." The goal is to solve any problems within 24-48 hours, because in the fast-moving environment, problems piling up can cause big problems, he said.



Kirscht

Kirscht ran through some statistics. Donnelly has 2,700 active molds, and the average production run is just 10.6 hours. Last year, Donnelly did 15,000 mold changeovers.

"We're a sprinter in the short-run business, and we have to be great at that," he said.

Donnelly sprinted in 2005, to its first-ever year of more than \$25 million in sales. To free manufacturing space, the company is adding 20,000 square feet of warehouse space onto its plant in Alexandria, which currently measures 95,000 square feet. The company will use its old warehouse space for manufacturing.

Donnelly runs 32 presses with 45-720 tons of clamping force. The additional space will allow for up to 40 presses, he said.