



# Top Shops

## 2015 Top Shops Benchmarking Survey & Honors Program

### Benchmark Your Machining Business

Thank you for participating in *Modern Machine Shop's* fifth-annual Top Shops benchmarking survey, which highlights the attributes shared by leading U.S. machining businesses. Please answer as many of the following survey questions as possible. Numeric answers must be entered as whole numbers. *All responses will remain confidential.*

Later in the year, a series of benchmarking reports of survey findings will be available. Provide your email address if you'd like to receive those reports. Additionally, if you'd like to enter the Top Shops Honors Program competition, please provide your email address as well as all the other contact information we request. Shops vetted and selected for the Honors Program will be profiled in an upcoming issue of *Modern Machine Shop* magazine. Do not provide contact information if you'd like to remain anonymous.

This 41-question survey must be completed by **February 28, 2015**. If you have questions, please contact Derek Korn, Senior Editor—*Modern Machine Shop*, at [dkorn@mmsonline.com](mailto:dkorn@mmsonline.com).

### COMPANY INFORMATION

To receive the series of benchmarking reports of survey findings, provide your email address:

\_\_\_\_\_

To enter the 2015 Top Shops Honors Program, also provide the following contact information:

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

Country: \_\_\_\_\_ Company telephone number: \_\_\_\_\_

Company website: \_\_\_\_\_

### PROFILE QUESTIONS

1. What category best describes your business' relation to its customer base?

- Captive shop (component of a larger company)
- Contract shop (independent shop, mostly contracts for repeating part numbers)
- Job shop (independent shop, mostly short-run and other non-repeating jobs)

2. Approximately how many part numbers (SKUs) did your business produce in 2014? \_\_\_\_\_

3. Approximately how many total parts did your business produce in 2014? \_\_\_\_\_

4. Approximately what was the median batch size in 2014? \_\_\_\_\_

5. Which of the following industries does your business primarily serve?

- |  |   |
|--|---|
| <input type="checkbox"/> Aerospace   | <input type="checkbox"/> Medical  |
| <input type="checkbox"/> Appliances  | <input type="checkbox"/> Military   |
| <input type="checkbox"/> Automotive  | <input type="checkbox"/> Off-road & construction machinery                    |
| <input type="checkbox"/> Die/mold  | <input type="checkbox"/> Oil- & gas-field & mining machinery                  |
| <input type="checkbox"/> Electronics, computers & telecommunications           | <input type="checkbox"/> Power generation (turbines, batteries, wiring, etc.) |
| <input type="checkbox"/> Forming & fabricating (non-automotive)                | <input type="checkbox"/> Pumps, valves & plumbing products                    |
| <input type="checkbox"/> Furniture manufacturing                               | <input type="checkbox"/> Others (please list) _____                           |
| <input type="checkbox"/> Industrial motors, hydraulics & mechanical components | _____   |
| <input type="checkbox"/> Machinery/equipment manufacturing                     | _____   |

## MACHINING TECHNOLOGY

### 6. Which types of machining equipment does your business use?

- Broaching machines
- Drilling machines
- Flexible manufacturing systems (FMS)
- Gear-cutting machines
- Grinding machines (for regrinding cutting tools)
- Grinding machines (for workpieces)
- Honing machines
- Laser-cutting machines
- Lathes (non-CNC)
- Machining centers, horizontal CNC
- Machining centers, vertical CNC
- Milling machines (non-CNC)
- Plasma or oxy-fuel CNC cutting machines
- Sawing machines
- Swiss-type lathes
- Turning centers, horizontal CNC
- Turning centers, vertical CNC
- Turn-mill, multitasking machines
- Twin-spindle CNC turning machines
- Twin-turret CNC turning machines
- Waterjet machines
- Wire or sinker EDM

### 7. Which machining strategies does your business employ?

- Cutting to zero stock (moldmaking)
- Five-axis machining (full contouring)
- Five-axis machining (positioning only)
- Four-axis machining (full contouring)
- Four-axis machining (positioning only)
- Hard milling
- Hard turning
- High-speed machining
- Large-part machining
- Lights-out machining
- Micromachining
- Prototyping
- Others (please list) \_\_\_\_\_

### 8. Does your shop have 3D additive manufacturing/part printing capability (i.e. stereolithography, direct-metal laser sintering and related processes that build 3D parts layer by layer)?

- Yes, used for rapid prototyping
- Yes, used for manufacturing/part production in the customer's specified material
- No additive equipment is used

### 9. Which tooling strategies does your business use?

- Carbide recycling program
- Coolant management system
- Custom/specialty tooling
- High-pressure coolant delivery
- Minimum quantity lubrication
- On-machine probing for tool breakage/measurement
- Shopfloor tool vending systems
- Tool inventory management/usage tracking
- Tool presetting
- Tool regrinding
- Through-tool coolant delivery
- None of these

### 10. Which workholding strategies does your business use?

- Hydraulic/pneumatic-actuated fixtures
- Indexers/rotary tables
- Magnetic chucks
- Multiple workpiece fixturing
- Pallet changers
- Quick-change devices
- Tombstones
- Vacuum chucks
- None of these

### 11. Which types of software does your business use?

- CAD systems—2D
- CAD systems—3D
- CAM programming software
- CMM programming software
- ERP/MRP software
- Job-estimating software
- PLM software
- SPC/quality management software
- Toolpath simulation/verification software
- None of these

### 12. Which types of inspection equipment does your business use?

- CMM in quality department
- Laser trackers
- Microscopes
- On-machine probes for workpiece measurement
- Optical comparators
- Portable measuring arms
- Shopfloor CMMs
- Vision systems
- None of these

**13. Which types of ancillary equipment does your business use?**

- Ballbar calibration
- Bar feeders
- Bar pullers
- Chip handling equipment
- Finishing equipment (i.e. anodizing, passivation, plating, etc.)
- Heat treating equipment
- Machine condition monitoring (i.e. monitoring spindle, environmental conditions, etc.)
- Machine connectivity (Ethernet)
- Machine mist control units
- Marking/engraving equipment
- None of these

**14. What materials does your business machine?**

*Metallic*

- Aluminum
- Brass
- Bronze
- Cast iron
- Compacted graphite iron
- Copper
- High-temperature alloys (not titanium)
- Mild steel
- Stainless steel
- Titanium
- Tool Steel
- Others (please list) \_\_\_\_\_

*Non-Metallic*

- Carbon-fiber-reinforced plastic (CFRP)
- Ceramic
- General plastics
- Medical-grade plastics
- Wood
- Others (please list) \_\_\_\_\_

**15. How many CNC machine tools did your business have in production (non-tool room) in 2014?** \_\_\_\_\_

**16. What was your capacity utilization percentage in 2014?** \_\_\_\_\_

**17. What is the average age (in years) of the CNC machine tools currently in use on your shop floor?** \_\_\_\_\_

**SHOPFLOOR PRACTICES AND PERFORMANCES**

**18. Which of the following practices and improvement methodologies does your business use?**

- 5S workplace organization
- Agile manufacturing
- Benchmarking
- Cellular manufacturing
- Continuous improvement program
- Just-in-time movement of material
- Kaizen events/blitzes
- Kanban and pull systems
- Overall Equipment Effectiveness (OEE) monitoring and analysis
- Poka yoke (error prevention)
- Quality certifications (i.e. ISO, NADCAP, etc.)
- Single-minute exchange of dies (SMED)
- Six sigma
- Theory of constraints
- Total productive maintenance
- Total quality management
- Value-stream mapping
- Others (please list) \_\_\_\_\_
- No formal methodology

**19. Do you use robots to perform part loading/unloading for any of your machine tools?**  Yes  No

**20. Please provide the following measures for your business for 2014:**

	<b>2014</b>
<b>Order lead time</b> (receipt of order to delivery to customer in days)	Days
<b>Machining time percentage</b> (% of order lead time that the product is being machined)	%
<b>Setup time</b> (measured in minutes, the time it takes to prepare a new job for machining, i.e. the time between the completion of the last good piece of the current run and the first good piece of the next run)	Min.
<b>On-time delivery rate</b> (% of goods delivered on time)	%
<b>Finished product first-pass quality yield</b> (% of product that passes final inspection on first attempt, requiring no rework)	%
<b>Scrap and rework percentage</b> (cost of scrap and rework as a % of shop sales)	%
<b>Scrap and rework percentage</b> (number of scrapped or reworked parts as a % of total parts produced)	%
<b>Machine usage</b> (average hours machines are in production per 24-hour day)	Hrs.
<b>Spindle utilization time</b> (amount of in-cut time as a % of machine uptime)	%
<b>Overall Equipment Effectiveness</b> (% machine availability × % quality yield × % of optimal rate that equipment operates)	%

**21. Is your shop using applications that are compliant with MTConnect, the web-based manufacturing connectivity standard for gathering and sharing data from machine tools and other manufacturing equipment?**

NO, our shop is not using any MTConnect-enabled applications.

**YES, our shop is using applications enabled with MTConnect for these purposes** (check all that apply):

- Machine monitoring
- Collection of production data (operator ID, part counts, cycle times, etc.)
- Energy management
- Tool control
- Equipment interfacing (e.g., barfeeder to lathe, tool presetter to CNC unit, etc.)
- Other (please specify \_\_\_\_\_)

**22. Does your company use tablet devices such as iPads on the shop floor?**

Yes       No

If yes, briefly explain how and why. \_\_\_\_\_  
\_\_\_\_\_

**23. Briefly explain how one new technology, machining strategy or strategic initiative has been most influential in contributing to the overall success of your business in recent years:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## BUSINESS STRATEGY AND PERFORMANCE

**24. Which of the following supply chain practices does your business use?**

- |  |   |
|--|---|
| <input type="checkbox"/> Access to customer forecasts              | <input type="checkbox"/> Just-in-time deliveries to customers               |
| <input type="checkbox"/> Certification of major suppliers          | <input type="checkbox"/> Sharing forecasts with suppliers                   |
| <input type="checkbox"/> Collaborative design with customers (DFM) | <input type="checkbox"/> Vendor-managed or -owned inventories               |
| <input type="checkbox"/> Collaborative design with suppliers       | <input type="checkbox"/> Vendor-managed or -owned inventories for customers |
| <input type="checkbox"/> Customer satisfaction surveys             | <input type="checkbox"/> None of these                                      |
| <input type="checkbox"/> Just-in-time deliveries from suppliers    |   |

**25. Which of the following are effective sales/marketing tools for your business?**

- |  |   |
|--|---|
| <input type="checkbox"/> Blogs                       | <input type="checkbox"/> Print advertising (i.e. magazines)         |
| <input type="checkbox"/> Brochures/catalogs          | <input type="checkbox"/> Sales personnel                            |
| <input type="checkbox"/> Customer tours of your shop | <input type="checkbox"/> Social media (Facebook, Twitter, LinkedIn) |
| <input type="checkbox"/> Email promotions            | <input type="checkbox"/> Trade shows/events                         |
| <input type="checkbox"/> Online – advertising        | <input type="checkbox"/> Trade associations                         |
| <input type="checkbox"/> Online – company website    | <input type="checkbox"/> YouTube                                    |
|  | <input type="checkbox"/> None of these                              |

**26. Have any parts produced by your business in the last year been the product of a reshoring initiative?**

Yes       No

If yes, briefly explain. \_\_\_\_\_  
\_\_\_\_\_

**27. For independent shops, how many active customers (paid for work) did your business have in 2014?** \_\_\_\_\_

**28. For independent shops, what percent of your customers account for 80% of your business' sales in 2014?** \_\_\_\_\_

**29. For independent shops, what was the customer retention rate for your business in 2014? (% of customers retained from the previous year)** \_\_\_\_\_

**30. What was your quote-to-book ratio? (business booked as a % of business quoted)** \_\_\_\_\_

**31. What were the following investments (in dollars) for your business in 2014?**

Capital equipment (not tooling) \_\_\_\_\_

Tooling \_\_\_\_\_

Employee costs (all wages, benefits, etc.) \_\_\_\_\_

Materials and components \_\_\_\_\_

**32. Do you lease or own your manufacturing facility?**

Lease     Own

**33. Please provide the following financial measures for your business in 2014. By calculating these measures, it will not be necessary to provide specific values for figures such as gross sales, net income, etc. This information will be kept confidential.**

Gross sales/number of machines (\$) \_\_\_\_\_

Gross sales/number of employees (\$) \_\_\_\_\_

Net income/gross sales (%) \_\_\_\_\_

Annual sales growth rate [(gross sales 2014 - gross sales 2013) / gross sales 2013] \* 100 (%) \_\_\_\_\_

Capital equipment expenditure/gross sales (%) \_\_\_\_\_

## HUMAN RESOURCES

**34. How many total people did your business employ in 2014?** \_\_\_\_\_

**35. How many employees were directly involved in manufacturing at your business in 2014?** \_\_\_\_\_

**36. Which human resource practices/programs does your business use?**

- |   |  |
|---|--|
| <input type="checkbox"/> Annual review and raise program  | <input type="checkbox"/> Leader/supervisor development   |
| <input type="checkbox"/> Apprenticeship program           | <input type="checkbox"/> Paid medical benefits           |
| <input type="checkbox"/> Bonus plan                       | <input type="checkbox"/> Profit- or revenue-sharing plan |
| <input type="checkbox"/> Education reimbursements         | <input type="checkbox"/> Teaming/team-building practices |
| <input type="checkbox"/> Employee ownership options       | <input type="checkbox"/> Other (please list) _____       |
| <input type="checkbox"/> Formal employee training program | _____  |
| <input type="checkbox"/> Formal safety/health program     | _____  |

**37. What was the approximate average wage rate for shopfloor personnel in 2014? (hourly rate without overtime)**

Operators \$ \_\_\_\_\_ Setup personnel \$ \_\_\_\_\_ CAM programmers \$ \_\_\_\_\_

**38. What was the annual labor turnover rate (percentage) for 2014?**

(number of voluntary and involuntary separations ÷ typical staffing level) \_\_\_\_\_

**39. What is the average age of your shopfloor employees?** \_\_\_\_\_

**40. What is the average years of experience for your shopfloor employees?** \_\_\_\_\_

**41. On average, how many hours per year of formal training did each full-time employee receive in 2014?**

- |  |   |
|--|---|
| <input type="checkbox"/> less than 8 hours | <input type="checkbox"/> 21-40 hours        |
| <input type="checkbox"/> 8-20 hours        | <input type="checkbox"/> more than 40 hours |

Please return survey by **February 28, 2015** by faxing it to 513-527-8801 or mailing to:

## TOP SHOPS

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Cincinnati, OH 45244