



CoBe Capital specializes in the acquisition and operation of non-core and underperforming business units in the Americas and Europe from leading global corporations.



CoBe Capital helped this Arkansas-based flow solutions provider streamline costs to win new customers and get its business growing again



> American Industry: Stark Manufacturing



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When CoBe Capital bought the business from Dover, Stark Manufacturing was burning through a quarter-million dollars a month. They had a sea of customers, both original equipment and aftermarket, but just ten customers represented 90% of sales. The former management team, which had a career in the automotive aftermarket, believed that smaller customers added capabilities and diversified the customer base, but in reality they were unable to develop this business profitably. CoBe Capital needed to stop the bleeding.

The first step was to look at customers, account by account, and shed all the low or negative margin business. CoBe Capital hired new management that were experts at production and operations. This allowed Stark to then right-size the organization and reduce costs to win more business from bigger customers.

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To ensure the sustainable implementation of best-in-class lean manufacturing practices, CoBe Capital appointed new management to take the reins. One example of their transformational approach to the business was replacing a labor intensive step-by-step quality control process with a more streamlined approach focused on final inspection rather than work-in-process.

The organizational skill-set was so low that Stark Manufacturing was not fully taking advantage of the automation capability in place. After Topgrading the management team, Stark Manufacturing was able to retrain the operators on new processes to dramatically increase labor productivity.

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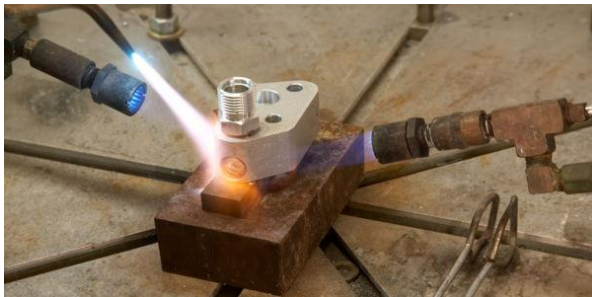
Stark Manufacturing is now focused on adding process engineers who will further optimize production to keep the equipment running with the same staffing. Developing more efficient batch sizes, production flows and changeovers, where the first part meets spec, are all contributing cost savings as Stark Manufacturing continues to move its portfolio from raw components to finished assemblies and lay a foundation for the future growth of this American Manufacturing success story.



# About Stark Manufacturing

Stark Manufacturing is a leader in the design, manufacture, machining and fabrication of connective tubular flow solutions. Its capabilities include aluminum, steel, and copper tube and hose assemblies for a variety of industries. The company's processing capabilities include bending, brazing, tube forming and assembly, and production of machined parts and fitting. Many Automakers utilize Stark Manufacturing's expertise to develop and manufacture complex tube and tube assemblies for A/C systems and other vehicle components. As a Tier 1 and Tier 2 original equipment manufacturer, Stark Manufacturing customers include AM General, Volvo, Delphi, Caterpillar, GM and Valeo. Its technologically advanced equipment combined with highly trained and experienced personnel ensure a seamless production process that delivers the best design and quality for its customers. Field sales team of 45 covering all of France

- Established in 1976
- TS 16949 & ISO 9001 certified
- 20,000' machining center in Russellville, AR - 16 vertical & horizontal machining centers
- 110,000' production plant in Paris, AR: 30+ benders, 8 robots, 12 end-formers, 2 vibratory cells
- 200+ employees at its two manufacturing facilities



formerly a division of



A DOWNEY COMPANY

Acquired November 2002

## Headquarters

Russellville, Arkansas

## Industry

Manufacturing

## Website

[starkmfg.com](http://starkmfg.com)