

# Vanishingly small re-work

*Having spent 19 years in the industry including being self-employed for 15, Karl Smith decided it was time to move from a small-scale workshop to a modern factory.*

He created Black Label Furniture five years ago to be able to produce modern joinery on a larger and more efficient scale. He certainly had the experience for it: he did his apprenticeship in furniture making at Cudby & Mead. As well as joinery work in his initial small workshop, Karl also worked as a contract installer for kitchens, and timber flooring.

From their base in Grenada North, Karl and the Black Label team worked on a wide range of projects across the Wellington region. With his solid timber background, a large team in the workshop and a wide array of classical machinery, Black Label had the skills and equipment to cater to almost any work that came their way.

In the five years since he started the company, Karl has changed the focus of the business, and the past two years in particular has seen Black Label pivot towards a new business model. Compared with a few years ago, today he has far fewer customers and a smaller team. Quite a few of his classical machinery lies quiet, barely used.

All of these changes are deliberate. One of today's customers is a commercial client and takes about 50% of production. While there are fewer staff, they are all highly skilled staff. And while some machines are only used occasionally, if at all, there are a few key machines that are heavily used, every day. Black Label is now predominantly contract manufacturing for others.

"Customers barely ring me at the weekends now," says Karl, smiling. "Previously I'd spend hours talking to residential customers, each one needed time and patience through the duration of our work with them. Now, with the customers nearly all being commercial, the calls come during office hours. I get a weekend.

Karl's decision to cut away most of the residential work and almost all the solid timber work was a conscious effort to ensure the company was working efficiently, and profitably. "It used to be that the unskilled staff we had needed a lot of time from the skilled staff," explains Karl. "As a result, the skilled staff didn't get much time to do the things they were skilled at. Also, the wide variety of work we did meant a skilled guy could get pulled away for a week to do some specialist timber work – slowing the rest of our production down."



*Consistent quality from the Homag is fundamental to Black Label's ongoing success - Karl Smith.*

Karl's decision to focus on contract manufacturing for others mean he needed the capacity to provide a complete solution for the commercial contracts he has. A key component was the need to work with high-gloss panels, as well as large portfolio of cabinets in an even wider range of colours and finishes. "With our old edgebander it took longer to clean up the edges after processing than it did to do the processing in the first place" says Karl. "We needed something to provide a consistent finish for a wide variety of materials, as well as delivering a top-quality finish on high-end product."

Black Label invested in an Edgetec S-200 series edgebander from Jacks – model 1130 AT. Offering Homag's airTec system for working with laser-edged tape, the 1130 AT also features pre-milling, quick-change gluepots, top and bottom trimming, corner rounding, scraping and buffing. While the airTec system provides the capacity to work with high-gloss and satisfy a specific segment of the market, Karl also opted for two gluepots, meaning the changeover from clear to coloured for conventional tape is quick and simple.

With the arrival of the Homag, Karl has been able to grow the volume of production – and he's looking to expand further in this area. "We're manufacturing and assembling to order from a suite of products," explains Karl. "We're saving so much time not re-doing designs, or catering for the constant changes you get with residential work. And our level of production

through the edgebander is now 12 times what it was." In keeping with this massive increase in through-put on the edgebander, Karl has made sure he's an expert in edgebander maintenance too. "The Homag is critical to our production, so I take the time to make sure it's getting the maintenance it needs. There's so much technology under that hood but if you know where to tweak, what to keep sharp and clean then it keeps delivering the quality we need."

Consistent quality from their production is fundamental to Black Label's ongoing success.

From Karl's perspective, his decision to focus on contract manufacturing has been a total success, and he's looking to take the company further down this track. "I'm enjoying the professionalism that comes with commercial contracts," says Karl. "Our primary customer – the one taking most of our production – has just told me our re-work rate." says Karl. "The percentage of jobs that are coming back to them with some sort of issue is just 0.4%. They're very satisfied, and so am I." Such a vanishingly small amount of re-work is evidence that Karl and the team at Black Label genuinely belong on the top shelf.



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