



2020 Customer Success Story

Superior Cabinets Continues to Reap Rewards of Bold Changes

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Scott Hodson, President and CEO, Superior Cabinets

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Superior Cabinets is one of Western Canada's leading manufacturers and suppliers of dream kitchens with a long-held and well-earned reputation for fine quality products, outstanding customer service and dedication to employee success. Despite the economic downturn a few years ago, Superior Cabinets had the transformative vision for revenue expansion, building scalability and changing the customer experience. With a clear understanding that manual processes were eating up resources and inhibiting growth, Superior Cabinets teamed up with 2020—leading provider of applications and enterprise solutions dedicated to interior design, space planning and furniture manufacturing—to streamline their manufacturing processes, put the focus on their customer needs and give them a competitive edge.

Recently the recipient of the 2014 BDC Entrepreneurial Resiliency Award, a prestigious award designed to recognize a Canadian business that has successfully undergone a turnaround or pivotal event and come back stronger because of it, Superior's President and CEO, Scott Hodson spoke about their transformation, "To give you the magnitude of the turnaround of our company, the last time we produced 25 kitchens per day was in 2008, which took 400 people and 16 weeks to get it installed into the house. Today it takes 300 people and we install it in 6 weeks guaranteed. You can transform but it takes people and it takes a change in thinking, and often you need a crisis."¹

Continuous Improvement

The decision to transform was made 5 years ago. Though recovering from the recession took longer than expected and each year brings continuous cost pressures, Superior Cabinets has been able to focus on the top line growth while being as efficient as possible in terms of production and enterprise-wide processes. In an initial evaluation in 2012, Superior Cabinets had reduced costs by 25%, reduced order processing resources by more than 80%, opened three new locations and significantly increased their product portfolio with no increase in order processing resources, and guaranteed their lead time no matter how busy they were.

Today, as their plant motto, Continuous Improvement suggests, the changes are still having an impact. "We have seen significant strides in our manufacturing plant where we have been able to offset cost increases with cost reductions. This has been achieved through strong supply chain efforts and a facility driven by Continuous Improvement." Superior Cabinets guarantees a 6 week turnaround, and the entire company understands the importance of achieving this outcome. Performance is tracked daily and drives Superior Cabinet's behavior and the behavior of their supply chain. And while a faster turnaround time is important, Superior also continues to monitor and ensure the product and service quality the customer receives stands up to its name.



Customer Experience

Superior Cabinets is now able to focus more on the customer and deliver an experience that is hard to match. Sales since 2012 are up over 25% driven by builder account acquisition, retail sales growth leveraging digital first marketing strategy and a focus on the experience of the customer. The transformation was a true team effort that required the commitment of everyone at Superior Cabinets. Solutions from 2020 also had a significant impact on achieving these ends. 2020 Insight manufacturing operation management solutions are developed specifically

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for furniture manufacturers and connect processes to create a seamless flow of information from sales order to installation—optimizing every step of the operation. 2020 solutions helped Superior Cabinets reduce the number of systems in use from 14 down to 2 and automated the manual processes that bogged down the workflow. This has allowed Superior to manage cost without compromising the customer experience.

“2020 played a role in building the scalability of Superior Cabinets so we could grow without adding non value-added cost. Our processes are better and our technology is leading edge,” commented Scott. “We add resources closer to the customer to create a better experience for them. And because we don’t have to add cost to process work, we have controlled cost and sped up our processes to hit commitments.”

Lessons Learned

Through this five year journey, Superior Cabinets has had three clear focus areas: customers, employees and investment in change. Customers are at the heart of every business, no company can survive without loyal customers. Superior Cabinets not only wanted to create a better customer experience, but listened to their customers before making changes to truly understand their needs. They spent months collecting information about customer experiences and growth strategy. Superior Cabinets also emphasizes the importance of their employees having a stake in the company’s success. Understanding the impact major organizational change can have on employees and open communication about strategy and financial results can help employees embrace the change. Employees and management believe Superior Cabinets is one big team that works together united by one thing—their customers. Lastly, commitment to change takes financial investment. Superior Cabinets invested in new technology to streamline processes, digitize their showrooms and marketing and improve their manufacturing facilities—and just as anyone managing a manufacturing shop floor knows that quality in equals quality out.

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About Superior Cabinets:

Industry: Kitchen Cabinets

Location: Saskatoon, Saskatchewan, Canada

Company Size: 300 employees / 57,000 square footage of manufacturing / \$45M revenue / 6 Corporate stores / 80 dealers

Website: <http://www.superiorcabinets.ca>

References:

¹ www.bdc.ca, ‘Saskatoon’s Superior Cabinets Builds Its Way Back to Win the 2014 BDC Entrepreneurial Resiliency Award - Canada’s Best Business Comeback Story of the Year’, October 23rd, 2014. <http://www.superiorcabinets.ca/design-corner/110/>