



If you think bean bag chairs are a throwback to the time of the hippies, think again! These iconic seating options are superhot these days, and GT Ventures is leading the way with its expansive product line. In fact, GT Ventures is America's number one foam bean bag supplier. Their fluffy, amazingly comfortable bean bag chairs are easily shippable thanks to the company's innovative packing method, and demand has been growing by leaps (or seats) and bounds. To keep up, the GT team needed smart solutions to help them scale fast, or they risked being unseated. That's when Ernest came to the rescue.



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When Ernest is your partner, you don't have to face your business problems alone.

Steven Jersic

Operations Manager GT Ventures

Smarter from the outside in

The company was facing two challenges: packaging and productivity.

It all started with a poly bag. To prepare their bean bags for shipping, GT Ventures has a proprietary process for vacuum packing them in a poly outer bag. Before Ernest came along, the bags they were using were having seam breakage issues which slowed down the packaging process. Taping the seams was a stop-gap fix, but the company knew it needed a better solution. Additionally, they were using a single-size bag to accommodate a variety of bean bag sizes, which often meant higher materials expenses than necessary.

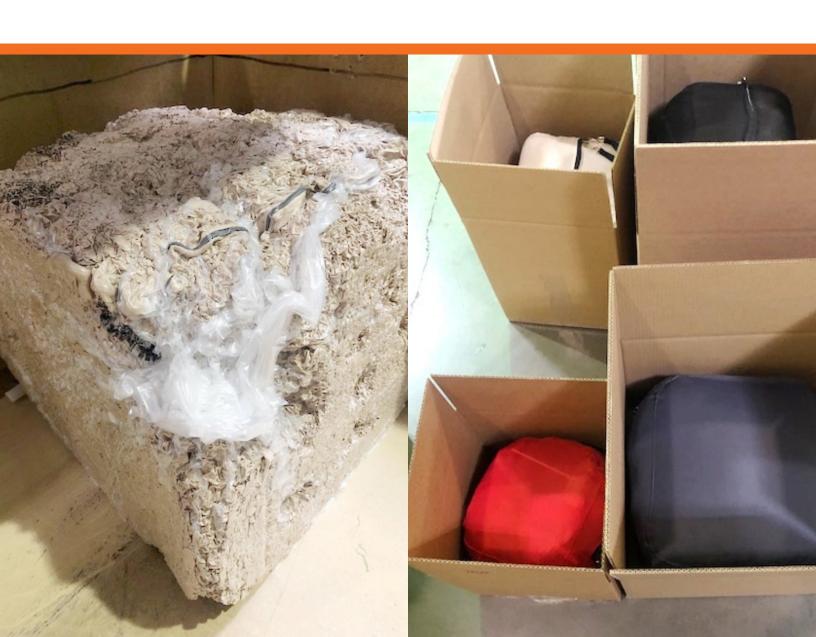
When the company's previous supplier couldn't help them figure out a better way, GT Ventures knew they needed someone new. That's when Jake Butera, customer relationship manager at Ernest, reached out. After hearing about the issues, Jake helped find a better poly bag with a new seam that prevents bursts. He also made sure the poly bags came in a range of sizes to help reduce waste.

The Ernest team came up with an ingenious way to make sure line workers used the correct-sized bag each time—a color-coded suffocation warning. Legally, every poly bag is required to have the warning and GT didn't want the extra expenditure of printing a unique size code on the bag. Instead, they printed the warning in different colors on each of the different sizes, so they were easier to distinguish on the rack for faster packing, with no additional cost.

Savings that stick

Since GT Ventures pays for shipping by the size of the box, not just the weight, choosing the right box directly impacts the company's bottom line. While the boxes they were using looked great, they were unwieldy and larger than needed, which meant extra expenses. This was compounded by the fact that the production team was hand-taping and hand-stacking boxes, and the water-activated tape covering the boxes was weak and would break down, creating risk of damage. It all added up to a loss in productivity and profit for the company. And that wasn't making the bean bag bean counters happy.

Ernest worked closely with Steven Jersic, GT Ventures' operations manager, to make improvements that addressed these business challenges. Together, they changed the dimensions of the shipping boxes to lower the DIM weight and save on shipping costs. This also made them easier to carry. Jake suggested an improved tape solution for a stronger, more cost-effective approach to sealing the bean bag boxes, as well.



Productivity specialists

Once the team had better materials in place, Jake introduced them to an even bigger opportunity: productivity improvements. It started with Ernest's just-in-time (JIT) capabilities. With demand that can spike at a moment's notice due to a discount, GT Ventures needed to optimize its chair production space and ensure it always had the right quantity of boxes on hand. With the JIT program, Ernest maintains GT's box inventory in its Las Vegas warehouse so GT can call at any time to get additional supplies delivered the same day. This gives them the floor space cushion they need to maximize bean bag production and ensure there is never a delay in shipping orders.



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Ernest put systems in place and beat all our goals, helping us to size as we need. They're always looking to suggest things and steer you down a path so your company can grow.

Steven Jersic

Operations Manager GT Ventures

For other opportunities, Jake brought in the Ernest design specialists. Automation specialist Rudy Chavez, tape, adhesives and systems specialist Dave Kavlich, and inner packaging specialist Ori Rosenbaum all came to evaluate the GT Ventures packaging processes to identify where automation and other advances could help them move the productivity and profitability needle.

Working with Steven, they started with a pallet-wrapping machine to speed the process, eliminate wasted materials and reduce errors for more stable pallet stacking. While they were able to implement this solution immediately, another identified opportunity will have to wait until after the peak holiday gifting season to be put in place. GT Ventures plans to add inline taping towers into the process, which they estimate will increase packaging production output by 50%.

"Jake knows our product just as well as we do. He's helping me put together the ROI for automation to present to the owners to show how we're saving money and time."



Partner-powered

Thanks to Ernest's help with their packaging and productivity, GT Ventures has achieved valuable savings and productivity improvements. For a company that's been in startup mode, GT Ventures is now well positioned to grow and scale. And Ernest is committed to helping them every step of the way. As Steven put it, "It's nice to work with a partner that has experts we can access to make things even better."

Jake and Steven have forged a close relationship as they work to continue saving time and money for the company. Jake meets with the GT Ventures team every Monday at 9am and does a status report on what they have, what they need to order and where their sales are going to ensure their packaging supplies are ready to meet growing demand. With Ernest, GT Ventures has a partner to help them sit back and relax a little while they watch their business skyrocket.



To learn how Ernest can help your business get comfy with scale and working smarter, contact us today.

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