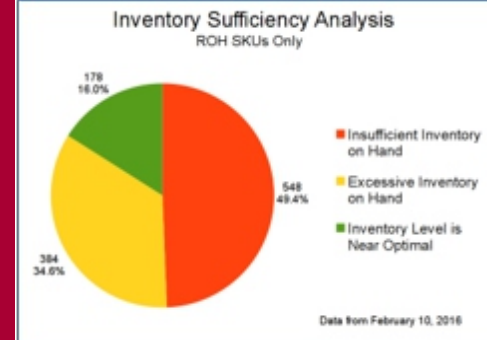


# Lean implementation drives cycle time, inventory, and quality improvements



Our client, a multinational appliance manufacturer, produces high end professional ranges, range tops, ventilation and steam cooking products.

A key production facility had grown rapidly in recent years. The client determined that in order to improve their capacity, inventory accuracy and product cost, they would need to improve the efficiency of their cosmetic value stream by 50-60%. They could not do this on their own, and engaged Implementation Engineers to partner with them to drive the necessary improvements.

The engagement scope included many areas:

- Planning, scheduling, and procurement
- Material management and control
- Two assembly lines
- Fabrication operations

1. During the analysis Implementation Engineers developed value stream and process maps, analyzed line balancing, conducted focus interviews and floor observations to **identify the key sources of delay, misalignment, and improvement opportunity**
2. Initial issues were quickly identified in three areas:
  - **Weak linkages between Fabrication and Assembly** created the need for **constant changes to work priorities** for fabrication in order to avoid a line shutdown in assembly and also contributed to the production of **excessive WIP**.
  - The **material flow** for both purchased and manufactured parts was inefficient, creating the need for **constant manual intervention** to confirm availability of inventory.
  - The warehouse **lacked management processes and metrics** required to efficiently support production. For example, the Warehouse schedule did not match the production schedule, receiving cycle time was not tracked, employee productivity was not calculated, and storage locations were not managed to optimize use of space.
3. Implementation Engineers partnered with the client to implement improvements to all three identified areas of opportunity.

## 50%

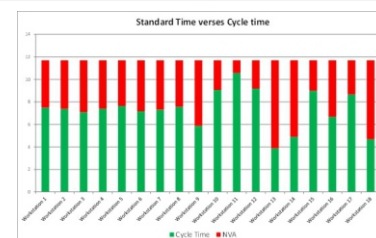
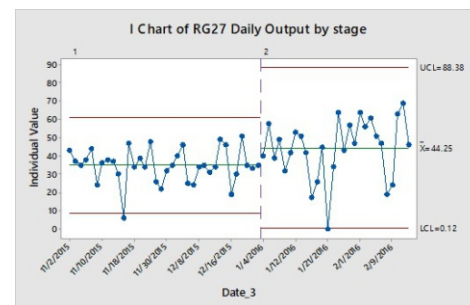
Inventory reduction due to cycle time improvements

## \$2M

Gross margin improvement due to supplier pull system installations and quality improvements

## 20%

Reduction in 'material waiting' delays on the assembly line



*In just five weeks of implementation, the client was able to better manage factors within their control. As a result, the process management and stability improved, and throughput increased.*