



IMPLEMENTATION
ENGINEERS[®]

CASE
STUDY

Improvements boost production, cut costs for bakery

Initial \$5-million goal met while recovering an extra \$3.6 million

An Implementation Engineers Engagement



Cost reduction, improvements needed for vast product line

Increasing costs and a languishing product line forced a well-recognized, \$10-billion-dollar provider of consumer food brands to seek the services of Implementation Engineers. Our client needed to trim costs and improve one of its largest bakery facilities in a division of 18 bakeries plantwide that would be sustainable in the future.

The magnitude of the business objective was a cost reduction of more than \$5 million to be achieved in less than five months. With more than 500 active SKUs, 14 production lines, and a cold storage warehouse exceeding capacity, the challenge was significant.

Management, wage earners help plot implementation

During a four-week assessment, the Implementation Engineers' team applied a host of diagnostic tools – operational, financial, and cultural – to identify issues and their root causes.

The process was a collaboration both management and wage personnel, and served as the basis for setting priorities, implementation design, and the development of a sound business case. The result of the assessment, detailed in the business case, was a return on investment in excess of 5:1.

The implementation was scheduled over a six-month period and focused on the following:

- Increase production line performance
- Increase equipment uptime through maintenance system utilization
 - Reduce changeover time employing Single-Minute Exchange of Die methodology
- Develop and implement standard operating procedures with equipment control settings
- Establish an effective means to communicate area (team) initiatives and results
- Design and structure the Plant Leadership Team (PLT) for success
 - Structure PLT to include bakery managers
 - Coach and counsel PLT in its area of responsibility for business objective improvements
 - Establish a recognition/reward process to highlight individual contributors and results generated
- Design and implement a continuous improvement process, so the employees are familiar with the process and become results-oriented:
 - Establish a framework of teams by area of responsibility aligned to the PLT
 - Empower teams to reduce waste
- Design and conduct supervisory training sessions that are tailored to the work environment, culture, and business objectives

A core team, comprised Implementation Engineers' team members and four representatives of the bakery, was formed to accelerate and perpetuate the results while directly supporting the PLT initiatives. This joint team approach fosters individuals who can maintain the process.

Temp workers, changeover times, warehouse space reduced

This project resulted in many positive results, including:

- Reducing the temporary workforce by more than 60 percent
- Reducing changeover times by 33 percent, progressing toward a goal of 50 percent
- Increasing planned maintenance work by 32 percent
- Eliminating offsite warehouse space and reducing the use of more than 2,200 pallets to less than 20

Significant financial gains were accomplished due to the aggressive nature of the acceleration project and the outstanding partnership between Implementation Engineers and the client.

Our client met its budgeted financial performance while recovering more than:

- \$2.8 million in cost reductions that were in jeopardy at the start of the project
- \$500,000 in severance expense
- \$350,000 in project fees and expenses

Both the benefit projection timing and the net cash flow were well ahead of plan.

The leadership is so proud and impressed with the project results that they hosted a plant tour to display the progress and improvements for executive leadership from all manufacturing facilities.

NEXT STEPS >

- > Schedule a meeting with our team to learn about our enCompass® methodology and how IE can improve your operations.
- > Interested in learning more about the topic covered in this case study?
Call us at 1-312-474-6184 and reference the paper you're interested in. We would love to discuss your initiatives.
- > Visit www.implementation.com to find out more about our services.



At our core, Implementation Engineers is a data-driven, global firm with a razor-sharp focus on enhancing mining and manufacturing operations.

We have volumes of success stories, and they can all be attributed to our revolutionary enCompass® methodology. This industry-first approach gives us not only the knowledge to inform you of what needs to be done, but the power to actually implement those solutions for lasting impact.

10 S. Riverside Plaza, Suite 875, Chicago, IL 60606

1-312-474-6184