mpl: Food & Drink

Case study: Dairy

Interim Continuous improvement Rapid results Restructuring





Case study

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Food & Drink

The Challenge Cold Store Improvement

The main objective of this project with a major Dairy Food company was to identify and quantify areas of improvement to facilitate a 5 day working operation rather than the current 6 day operation within the Cold Store dispatch area to align with customer requirements and reduce non-added value shift working.

The areas of improvement included:

- Material flow
- Loading bay availability and FLT efficiency
- Trailer availability
- Pick pace/labour efficiency
- Balance efficiency with production and load scheduling requirements

The challenge was to implement a standardised working practices into the cold store environment; using a Short Interval Control and Standard Operating Procedure toolkit to achieve consistency in the process, ensuring maximum accelerated improvement and removing non-added value cost.





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Approach

MPL carried out a 5 day initial analysis to determine the company's top losses and areas of improvement within the Cold Store environment.

MPL observed the Cold Store process in order to identify where the main areas of waste occurred and to ascertain where time could be saved in the future in order to eliminate a working day, and reduce the number from 6 to 5 working days per week.

Some of the findings and wastes identified included:

- No SLA between depots and between departments
- Multiple handling of data and product
- No SIC with performance measures
- No waste and re-work recording
- Lack of trailer availability
- Excessive transport (fork lift) time and slow speed
- Excessive distance travel of fork lift from pick up to loading

From these findings MPL firstly introduced SIC and Daily Performance Boards in alignment with production to document hourly performance against agreed KPI's, and to provided ownership and drive to achieving targets and delivering action for improvement.

Cold store processes to production were aligned to facilitate flow and minimise downtime through balanced supply from production, to reduce double handling and easier location of pallet.

MPL also supported the measurement and co-ordination of Cold Store Planned Preventative Maintenance (PPM) of forklifts and trailer availability with third party Engineers and Transport Department. (A predictive approach rather than reactive).

Immediate

- SIC and Daily Performance Boards implemented and are in full use, increasing efficiency through measurement, method and management
- SOP identified, decreasing downtime, improving standards and reducing incidents.
- More balanced supply of trailers resulting in 6 loads per hour strike rate
- Training of more forklift drivers and more careful staff planning saving one fork truck hire
- Payback within the life of the project
- Cumulative OEE improvements 30%
- Cumulative savings 250K annualised





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Long Term Benefits

5 day operation to meet customer needs and business efficiency requirements. Payback within <u>3 Months</u>

Immediate wins Improved efficiency by 30%Annualised saving of 250k





We appreciate that each business has its own unique set of business pressures, strategic directives, current problems and concerns. Each has its own business agenda and timescales. MPL's methodology has been developed in partnership with a wide range of businesses across a broad range of different sectors and we have worked at all levels of an organisation to deliver a unique and comprehensive response to their requirements.

This has enabled us to develop an intensive understanding of different industries, to provide our clients with an informed view on the issues and challenges they face and the ability to provide a specific and tailored service response that ensures results.

Bakery and Morning

Goods **British Bakeries** Delifrance Jordans

Warburtons McVitie's

Crantock Bakery

Dairy

Arla Foods Dairy Crest **Express Dairies** Robert Wiseman Dairy Farmers of Britain Norseland Yeo Vallev

Fresh Produce

Produce World Group: Solanum Isleham Fresh Produce RB Organic **Rustler Produce** Wilson's Country

Coca-Cola SunJuice Greencore Water **Buxton Spring Alcoholic Drinks** Bulmers Carlsberg-Tetley **Charles Wells** Diageo Fuller's

Soft Drinks

G & J Greenall Irish Bonding Irish Distillers St Austell Brewery Muntons Greencore Malting

Grocery

British Sugar Burton's Foods Cadbury Charlie Bigham's Edme

Greencore Group John Rannoch Foods Kellogg's **Kitchen Range Foods Premier Foods** The Serious Food Company Wilkin and Sons Cargill **Meat Processing**

Dovecote Park **Kitchen Range Foods** Moy Park Olhausens **Pork Farms Bowyers** Vion Food Group

Chemicals and Coatings

Akzo-Nobel **Crown Paints** International Paints Omya

BMW Roll-Royce Calsonic Kansei **Electricity Generator** International Power Industrial Acordis Acetate Products **Cameron Leeds** Manufacturing

Automotive

Healthcare

Kimberly-Clark S C Johnson PZ Cussons Reckitt Benckiser Hoya

NHS Countess of Chester Hospital

Homerton University Hospital

Police Wiltshire Constabulary West Midlands Police Pharmaceuticals/ **Biotech** Glaxo Smithkline AstraZenica Napp Pharmaceuticals Elan **Delta Biotechnology** (Novozymes) Cardinal Health MedImmune William Ranson & Son Patheon Catalent Pharma Solutions Elga Labwater Biochrom

Penn Pharma

Serologicals (Millipore)

