USC CONSULTING GROUP™

Empowering. Performance.

Production improvements save $16 million for a food producer.

Client:

A large protein-based and prepared food products producer with 400 facilities throughout the U.S. and in more than 90 countries around the world

Challenge:

A four-year old case ready plant wanted to improve line efficiency and labor productivity. To complicate matters, the plant had 40 production lines and a highly automated packaging department that produced over two million pounds of beef and pork products per week. A management operating system was needed to manage the large number of SKUs, lines and variability in the product mix to meet the demands of the client's sole customer, a nationwide supermarket chain. The project included all operating product lines and the maintenance interfaces for each, plus planning and scheduling.

Process:

The company turned to USC Consulting, a source it had used in the past to drive process improvement and business intelligence initiatives. Our first step was to review existing information flows and manufacturing processes across the facility. USC team members worked closely with the management team to gain an in-depth understanding of processes and methodologies. In particular, we looked for opportunities to drive improvements in productivity and throughput to lower overall operating costs and increase input.

USC combined traditional process improvement efforts with LINCS® (Lean Information Control System) to provide real-time scanning/tracking of production results, including downtime events, to the production supervisors on all filling/packaging lines. LINCS also provided direct access to detailed information for each line, along with operating reports and trend analyses.

Performance Results:

- Throughput improved 16%
- Labor productivity per hour improved 24%
- Packaging waste was reduced by 30%
- Yields improved 3%
- Client saved $16 million

USC CONSULTING GROUP™

Empowering. Performance.

Conclusion:

From the very first day of production, the new management operating system gave the plant management team the capability to manage at the most appropriate level--minute-by-minute or for longer periods such as shifts, daily or weekly. This gave them a better understanding of the amount and causes of downtime. Using Pareto analysis, the causes were prioritized and then systematically eliminated through an action management system and process. Our team also trained managers and supervisors in detailed clean-in-place procedures to minimize downtime.

In addition, USC addressed the supporting areas that provided trays to each of the lines as well as excess tray and packaging material inventory in the warehouse. At the end of the project, the group SVP was confident the new management operating system, enabled by LINCS, could be leveraged across the entire case ready division.

“Based on the success we’ve experienced locally, we plan to extend the LINCS® business intelligence solution across all three of our case ready plants.” This process has now been successfully implemented.