A global leader in seasonings was looking to improve production performance. After moving into a new facility, production output fell short of customer demand. An immediate stop-gap was put into place to outsource the additional production needs. A loss in quality control and a higher cost per unit soon pressured the reputation and profit margins. The producer quickly looked to increase throughput and operational efficiency. Having partnered with the seasoning producer on two previous engagements, they once again tapped Myrtle for support. This Myrtle engagement provided an operational transformation, improved the processes within the factory, and allowed for both immediate and sustainable productivity increases.

Many of the client manufacturing processes were deep-rooted and outdated, including the building, culture and production lines. The company built a new manufacturing center to modernize their manufacturing and packaging processes. During the transition from the previous facility to the new center, many equipment centers were repurposed, while some lines purchased new equipment and were installed by the OEMs (Original Equipment Manufacturers). Product mixes were reassigned with the installation of the new lines. Some of these new lines were designed with the OEMs to produce specific products. Some older lines were heavily modified to produce packages and products that were not designated to the new lines. A multitude of these reassigned SKUs are established product families but were originally intended to be produced with a different equipment design.

The old and new lines were all installed in the new manufacturing center, but not all were fully commissioned. Performance was not validated to meet volume requirements and customer demand. Performance continued below levels capable of sustaining the brand and the business for 18 months in the new facility. Between the lost output and limited production capabilities from the facility transition, the company was forced to begin outsourcing production.

When Myrtle arrived onsite, a quick, yet thorough analysis of the organization was conducted, employees were interviewed, and data reviewed. Myrtle identified the top issues to make the most impact to the manufacturer.

"What really separates Myrtle consultants from the rest is their hands-on approach and drive to deliver results."

- Continuous Improvement Manager
The outsourcing incurred two major challenges to the organization:
1. Loss of quality control over the produced goods, which pressed the brand reputation and customer loyalty.
2. Increased cost per unit, which pressured profit margins.

The impact of outsourcing immediately hit the bottom line and the group’s P&L statement. This impact raised a “call to arms” to increase output and improve efficiencies. Desiring to generate improvement faster than they could do on their own, Myrtle was called in to help.

**APPROACH**

The Myrtle team quickly implanted themselves in all aspects of the operations, generating a collaborative team of both Myrtle and client personnel. The newly formed partnership began assessing the business. By engaging at every level of the organization, the team conducted a thorough loss analysis to identify the priorities for the upcoming work required to improve production output. Following the Pareto Principles, the top losses were identified to drive focus and prioritization to have the most impact possible.

The core losses in the factory were traced to two main lines that produced over 50% of the brand volume and essential product families. The top two sources of loss on these lines caused choke points, limiting the production capabilities. The two main sources of loss were identified as:
1. Unplanned minor stops
2. Planned stops for breaks and lunches

Myrtle developed a plan to address the prioritized losses, calling upon their Centerline® program and methodology to attack the unplanned minor stops. A Shop Floor Leadership Engagement team was formed to address the planned stops on both lines, utilizing the shop floor and front-line leadership.

The Shop Floor Leadership Engagement team met with front line managers and shop floor personnel to identify the potential impact of conducting break reliefs within the operation. The team was empowered to create plans for relief coverage based on the business needs and utilize a tool and process developed to facilitate the change and ongoing structure. The team approach to solving the business need created ownership and leadership on the floor. The Production Team Manager stated, “(Myrtle) engaged the people on the floor. Your passion is what got our people to believe in the process.”

The Shop Floor Leadership Engagement Team was able unlock unused potential from the people running the front lines of the organization and empower the internal culture of the operations team for continued improvement. They were able to implement a relief process where they would review the available labor pool and skill sets per shift, then select the best suited relief operators to maximize line uptime and output volume. The relief plan is then recorded on the tool the team created and posted on visual boards in the work center to communicate results and impact of the continued operation.

In the other workstream, the Centerline® team set out to first restore base condition of the choke point equipment centers on each line. The first line was an older line repurposed and running products not designed for the equipment. Myrtle identified the modifications made to the machine center were not conducive to the product and helped developed a long-term cost justified plan to replace the equipment with OEM engineering.

The team then moved to the second line and began restoring the base equipment condition. Utilizing dedicated operators and mechanics, the team performed deep cleans of the equipment and identified defects on the machines to made necessary repairs. A CIL (Clean, Inspect, Lubricate) program was installed to maintain the base condition of the machines. Registers were created to enable operators and mechanics to continue identifying and repairing defects from the floor after completion of the deep cleans and implementation of CILs. An OPL (One Point Lesson) system and associated tool enabled operators to share learnings on their machines during the process to build competence levels and capability for the operators.

Once repairs were made, the team mapped the machines for all possible adjustment points. Unnecessary adjustments were eliminated through welding and pinning the equipment. Necessary adjustments were tracked and monitored by operators to establish the best-known demonstrated set up for optimal results. RCAs were launched to optimize and improve the set-up standards.
The set-up standards were created, operator routines deployed, and leader standard work were installed to sustain the improvement, while audits were implemented to maintain the gains.

Throughout this Centerline© process, the operators and mechanics learned about their machines, enabling them to understand the theory of operation and machines to the component level. This newfound knowledge empowers operators to better and more efficiently solve challenges on their own and become more self-sufficient. This is the evolution of operators becoming equipment owners.

Line performance was stabilized through the Centerline© process, establishing run right settings and standardizing the way equipment was operated, regardless of which operator was running the line. Variability of operator preferential adjustments diminished, drastically improving the time from shift start to full production speed. Consistent results ensued as peaks and valleys in performance tightened. A foundation for continuous improvement was established by optimizing the set up and operational parameters.

**SUSTAINABLE RESULTS**

The Myrtle-led team was able to provide an operational step-change to the factory, profoundly impact the performance of the factory and increase the output in a manner sustainable for the site, even after the Myrtle team completed their work scope and departed the site.

Planned downtime was reduced significantly through the Shop Floor Leadership Team engagement. Line X reduced from a peak of 9.3 hours of loss to as low as a zero loss. Line Y dropped from as high as 5.8 hours of loss to as low as a zero loss. The impact of this engagement ensured the lines would remain operational and incur significantly less planned downtime. Active results were posted on visual boards in the work center to communicate the success of the team, encouraging everyone in operations to continue the upward trend.

Unplanned minor stops were significantly reduced through the Myrtle Centerline© approach. The production line is now much more reliable after optimizing adjustment points and bringing equipment back to base condition, while incorporating a proactive approach to maintaining the ideal condition.

Production line Y achieved 15% process reliability increase from baseline. Unplanned minor stops on the filler reduced from a peak of 9.2 hours per week to as low as 2.3 hours per week of loss, while unplanned stops for the case packer reduced from up to 3.5 hours per week to as low as 0.1 hours per week.

The successful engagement sets up the client for long-term success.

**RESULTS:**

- Planned Downtime:
  - Line X reduced from 9 hour peak to net zero
  - Line Y reduced from 5.8 hour peak to net zero
  - Process Reliability increased 15% from baseline

Do you relate to experiencing a plateau in production? Are you in need of a boost in performance? If so, contact us today or visit www.myrtlegroup.com to learn more.