

CASE STUDY

HOW A \$3 BILLION PACKAGING COMPANY SAW A 15:1 ROI

Plants in the paperboard and packaging industry face challenging customer requirements — from companies that use these products directly and those that convert paper stocks into other goods — as well as regulatory and financial pressures. The commodity nature of the business makes continuous improvement a must.

CLIENT

A \$3 billion packaging-products manufacturer manages more than 200 plants and 10,000 employees worldwide, with a mix of both union and non-union workforces. In business for 75 years, the company makes roll stock for converting operations and flexible printing and plastics, primarily for the food industry. The manufacturer contracted with Performance Solutions by Milliken in 2009, and our practitioners now assist in 27 different locations, primarily in North America.

PERFORMANCE-IMPROVEMENT OPPORTUNITY

This client faces a changing customer environment common in many industries: smaller orders, smaller run sizes, and increased complexity due to customization. For many of this company's customers, packaging must change by season, product type, and marketing strategy.

Of particular concern were issues with common production problems, including poor machine uptime, excess product rework, slow equipment changeovers, high employee turnover, and legacy safety processes driven by managers rather than associates. There were a lot of gaps in the way they managed downtime situations,

and they lacked standardization around both the work itself and how they trained associates.

POWERFUL IMPROVEMENTS

The company decided to engage Performance Solutions by Milliken to enhance their systems, and has earned an overall 15 to 1 return on investment (ROI) with Performance Solutions.

Examples of performance improvements at the packaging-products manufacturer, based on a summary of plants that have reached Phase 3, include:

- Breakdown performance improvements from 60 to 70 percent
- Minor stops reduced by 50 to 60 percent
- Rework reduced by 50 percent
- Waste reduced by 80 percent
- Equipment changeover times reduced by 50 to 60 percent

Changeover times have been reduced so much, they didn't have to add another day to their plant schedule. They're down to a five-day week.

FUTURE SUCCESS

The company plants are continuing their implementations, and eventually all the facilities engaged with Performance Solutions will demonstrate that MPS (Milliken Performance System) is now

their operating system and the way they manage. Progress is tracked through a detailed scorecard that measures MPS sustainability along with metrics specific to the organization. The aggregated

tally of a scorecard triggers movement for a plant from Phase 2 to Phase 3, and decreases the frequency of Performance Solution practitioner visits — a process well under way at this client.

PUT PERFORMANCE SOLUTIONS TO WORK FOR YOU

Performance Solutions by Milliken® works side by side with companies interested in strengthening and improving their operations. The strategic approach that made Milliken one of the safest, most efficient manufacturers in the world is the backbone of the consulting and educational services that Performance Solutions offers worldwide. Performance Solutions by Milliken practitioners are serving over 350 operations, in 23 countries, and covering a wide variety of industries.

Visit www.PerformanceSolutionsByMilliken.com to learn more about Performance Solutions' consulting and education services.