

# Case Study: \$ 180MM Industrial Components Manufacturer

Keeping up with the demands of a large customer was taxing production capability and created concern about losing the customer if delivery expectations were not met

**Goal:** Create additional capacity to satisfy increased volume demand

## Situation

- Owners preparing to exit the company through a sale, required rapid improvements in one of their 5 factories (prior to client visits that were scheduled in 60 days)
- One plant was struggling to meet the delivery expectations of its sole client, a large international company, who sent their internal QC personnel to monitor the plant
- Many internal resources were being employed to manage customer service issues caused by missing delivery deadlines and the loss of client trust
- The plant was working around the ERP process to meet the customer's reporting requirements, causing gaps in the data needed to efficiently plan and run the plant

## FortéONE Process

Following a rapid Business Assessment, FortéOne presented findings and a Roadmap to quickly improve output through introduction of a Capacity Planning Model (CPM), as well as a strong focus

on Planning and Scheduling, Supplier Management, and Customer Management. We were hired to implement our recommendations.

## Establishing a Foundation for Performance

- Designed, developed, and implemented a Capacity Planning Model incorporating two elements: item production and machine utilization. Once this model was tested and rolled out in one plant, plans were made to refine and roll out in all plants. Training on the existing ERP and installation of revised manufacturing flow, reduced WIP from 30 days to 5 days.
- Facilitated and guided process to regain customer confidence based on plans and then actual results. Specifically, gained recognition of ability to manage a supply base and received the endorsement to qualify new suppliers. Client Implant personnel departed
- Designed and launched a supplier development process, including facilitation of two supplier conferences.

## Results

- Improved production by 30% in the first three months (against a base established at the outset)
- Decreased order backlog by up to 93% within 90 days
- Large client was happy and sale to a strategic buyer was completed at a high multiple