

## What if you could...

...advance your existing cost reduction effort, maximize the utilization of resources and reduce the need for additional capital expenditures?

## With Proudfoot, you

### THE CEO OF THE MEDICAL DEVICE

manufacturer implemented a cost reduction initiative to combat squeezed margins through internal lean working teams. However, he soon realized the initiative could not actually deliver the savings it had targeted.

**Teaming with Proudfoot, the CEO set a course to get the initiative on track — clarifying goals, expectations, and the transformation roadmap.**

"What is even more valuable is that we see this effort as something beyond a one-time infusion of new ideas and practices.

Everywhere in our production and distribution plants, in each of the task forces and subgroups, planning is underway to move beyond completion in order to ensure the sustainability of all we've done so far."

- Chief Executive



### A TRANSFORMATIONAL APPROACH

Working together with Proudfoot, the team:

- 1 Agreed upon scope and scale** — covering wall-to-wall production, maintenance, planning, procurement, product and packaging, labor and material across 3 manufacturing plants in 3 countries, and 4 of 20 distribution centers.
- 2 Conducted a business review and analyses targeting cost reduction**, planning and yield optimization, and margin improvement.
- 3 Shifted supervisor focus to a proactive approach** rather than a "fix, fix again" mode.
- 4 Defined long and short term plans with short interval controls** to drive weekly and daily production.
- 5 Enhanced production plans, controls and shop floor communications** to more effectively manage a highly complex SKU portfolio.
- 6 Implemented KPIs, education, training and communications to build new skills and drive desired behaviors.** Engaged employees in clean processes, procedures and reporting practices.
- 7 Coached leadership and increased transparency, visibility and communications.** Established "team huddles" and dramatically improved collaboration.

### REMARKABLE RESULTS

**27-46%** in **purchase price reductions** through contract renegotiations

**10%** increase in **productivity**

**80%** reduction in **overtime**

**21%** increase in **overall equipment effectiveness**

**18%** improvement in **packaging cycle time**

- Increased capacity, reduced labor costs and decreased overtime
- Reduced machine downtime
- Improved execution of maintenance
- Increased visibility of operations

"Just a short note with a big thanks for what you and your team helped us achieve this year... Proudfoot and our plants built a great relationship right from the start. Your team was outstanding."

- Plant Manager

# Proudfoot