



Precision Engineering

The application of ToC within two manufacturing organisations.



Now the operations platform is built I can focus my time on building the business rather than fighting fires



Joe Martello, Managing Director, Roscomac

GOLDRATT^{UK}
Knowledge that delivers™



Roscomac

CASE BACKGROUND

Roscomac is an established precision engineering firm that manufacture a range of components and sub-assemblies. The company's main issues were due to their growth, meaning Roscomac were struggling to deal with increasing client demand, meaning there were a number of key challenges that they were having to face;

- | Due Date Performance of around 40% OTIF
- | Rising Lead Times as orders start to build up
- | Large levels of stock holding

THE APPROACH

From this it was clear that the operations needed a new strategy. The first step Goldratt UK did was to reduce the WIP by reducing number of Make-to-Order items on the shop floor and completing orders in priority order. When doing this it became clear their milling process was their 'constraint' and most heavily loaded resource, as result all actions were implemented to improve output.

THE RESULTS

Over the course of 1 year, Roscomac noted a number of improvements:

- | The amount of Work in Progress dramatically fell.
- | The length of time goods are on the shop floor was considerably less
- | Due Date Performance rose from 40% to 95%+
- | Product availability for stock items significantly improved

What did these results look and feel like?

The number of complaints and follow ups on products from clients has reduced. Which means the customer service team are happier and more productive too. In addition, the increased productivity from the operations team means that the Managing Director intervention on the day to day running is also reduced in favour other business orientated tasks.



Gericke RotaVal

CASE BACKGROUND

RotaVal, a subsidiary company of the Gericke Group, manufacture and supply Rotary and Diverter Valves for Gericke's full-system product installations. The subsidy has over 45 years of experience in the design and manufacture of valves and supplementary equipment, however, RotaVal suffered with a number of major challenges;

- | An explosion in delivery Lead Times - to approximately 24 weeks
- | Poor Due Date Performance – less than 20% to original quoted date
- | Chaos on the production floor due to conflicting delivery priorities

THE APPROACH

It was clear that a significant change was required. The mindset of “keeping resources busy” was slowly draining the company of its ability to complete (and invoice) orders. Instead the installation of drum-buffer-rope was used to manage the priority of release, whilst also synchronising the purchase of parts and materials to support the delivery schedule.

THE RESULTS

Within 6 months, RotaVal experienced the following improvements

- | Invoiced sales increased from circa £180k per month to circa £320k per month
- | Pre-production Lead Times reduced from circa 8 weeks to less than 3 weeks
- | Work in Progress reduced by 50%
- | Number of late orders reduced from over 200 to less than 20

What did these results look and feel like?

- | A business goal schedule that is consistently hit
- | A clear priority system across all divisions, meaning 90% of due dates are hit first time
- | Reduced pressure from clients for products
- | An understanding of where management attention and improvement effort is needed



With over 25 years of experience Goldratt UK can help both small and large organisations transform their manufacturing operations into a systematic and organised environment, which results in you meeting you deliver in full and on time, every time.

Typically we will

- > Increase Delivery Performance to 99%
- > Reduce Lead times by up to 75 %
- > Reduce Inventory to release help up cash by up to 50%
- > Reduce your internal costs by up to 20%
- > Increase capacity by up to 50%
- > Increase sales up to 20%
- > Increase potential profitability by 100%

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