

Case Study

- Bottling Plant Efficiency Improvement -

A leading global brewery group had the largest southern hemisphere brewery with 6 bottling, canning and draft beer lines. Bottles, packaging materials and pallets are essential elements of a successful and cost-effective brewing operation.

Line downtime was excessive, hurting profitability, with poor warehouse customer service and cost overruns common.

Analyses showed empty bottle returns at 74% in peak periods, pallet provision an unknown factor, and production planning and scheduling mismatched to warehouse inbound and outbound capacity and peaking.

A production plan, meeting sales forecasts, bottling line target efficiencies and running times, coupled with aggressive empty returns and pallet plans were installed. Warehouse and bottling line shifts were matched.

The overall planning process was computerized, recognizing sales, line capacities, increased efficiency targets, peak week and strategic storage volumes and raw and packaging material availability.

Inbound new bottles were scheduled to match production plans and empty returns were increased to 84% in peak and 124% in non-peak seasons. Pallet repairs, replacement and purchasing were assigned dedicated management focus and success criteria, and line offtakes improved by matching warehouse and production shifts.

Improved line efficiencies saw savings of 0.5%, and profit through higher empty bottle returns moved up by \$1m for every 1% higher return rate. Pallet costs and availability exceeded industry standards.



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