

## The Challenge

Ameo was engaged by a UK food manufacturer at a key point in its growth story.

The business had experienced impressive year-on-year growth, and had invested heavily in machinery and technology. Investment in people, processes and systems, however, had not kept pace with this.

In recent years, this had led to a downward trend in profits, with issues in yield causing rising levels of waste. The company has now embarked on a programme to review manufacturing operations.

Ameo was engaged to analyse end-to-end working processes, with the goal of charting a path towards long-term operational excellence.

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*Ameo have helped us realise the size of the opportunity, and the team deployed worked very well culturally with our existing team.*

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## The Outcome

Ameo analysed operations and introduced Lean Six Sigma principles to the business. This provided the company with a much better understanding of its own workflow, introducing precision to all manufacturing activities. We quantified losses, identified sources of waste and found more than £8m of savings.

Perhaps more importantly, we fostered a culture of continuous improvement and gave the company the tools it needed to fix its problems for the long term. We trained staff on Lean concepts, introduced Kanban processes and set up new governance structures to control the flow of stock.

Forty team members have now been trained, and the business has begun its journey towards operational excellence on the basis of our recommendations.

## The Engagement

We began with an investigatory analysis to understand where losses were coming from and where stock was going. From this, we set up pathfinder projects around procurement analysis, production dwell and line spillage, mixing accuracy and prepping opportunity. We also ran a specific project looking at yield loss on pineapple; this was halved as a result.

The business was selling 70% of what it procured, but could only account for one third of the remaining 30%. We identified where the missing 20% was going and set up measurement systems to capture yield loss during each manufacturing activity.

One specific innovation we introduced was a Kanban system to control the booking in and out of products. This brought to light a number of handling issues: for example, we found the company was consistently overfilling boxes and packages so as to avoid the risk of being overweight.

To ensure the ongoing effectiveness of our work, we dovetailed our recommendations into a range of existing company initiatives. These included a database cleanse, a review of the MRP system, a supply chain improvement project and a new IT network.