CASE STUDY

BERNER FOODS

Berner Foods Leverages Factory MES to Increase OEE by 68%
Berner Foods is a market-leading supplier of quality food products, including natural cheese, specialty performance cheese, processed cheese and soy beverages. The company offers leading-edge products to the supermarket, drug, mass merchandiser, club, dollar store, specialty food distributor, foodservice and contract manufacturing channels. Its facilities are USDA- and AIB-approved and ISO 9001 certified and meet the demanding standards of virtually every major retailer in North America.

CUSTOMER DETAILS
Berner Foods
www.bernerfoods.com

INDUSTRY
Food & Beverage

CHALLENGES
• Lacked complete information from the shop floor preventing Berner from identifying and addressing root causes
• Required visibility into root causes of production inefficiencies and capacity constraints
• Capacity and business growth restricted by inability to determine causes and solutions for inefficiencies
• Supervisors were wasting 2-4 hours per day on paperwork required for each production line

BENEFITS
• Throughout improved by 300%
• Increased Overall Equipment Effectiveness (OEE) 68%
• Added $3M in annual revenue without additional capital investments
• Reduced factory floor paperwork by 40%, resulting in immediate $30,000 savings
• Reduced rework and waste

SOLUTION
Factory MES
CHALLENGES
A Desire to Improve Production Performance
While undergoing Six Sigma training in 2005, Gary Gold, Berner’s Vice President of Quality and Continuous Improvement Systems, began taking a closer look at his company’s production performance. As he dug deeper into production line metrics, it became clear to him that there was significant room for improvement. However, a lack of complete information and shop floor accountability prevented Berner from identifying and addressing root causes.

“Our traditional approach was to go back to operators and ask them questions, such as ‘What caused this stoppage during your shift yesterday?’” said Gold. “But few could remember every detail about an issue after 24 hours. We knew that we needed to improve, but we couldn’t make good, solid decisions with incomplete data.”

Capacity Constraints
Capacity was another big issue for Berner. Gold had metrics that reflected what was coming out of the equipment: units produced, uptime, mean time between failures and so on. But what he lacked was a higher level of granularity that would point to the root causes of production inefficiency and capacity constraints. “To unlock additional capacity, we needed better visibility into the conditions and factors that were creating waste,” said Gold. “Without this visibility, we couldn’t address the inefficiencies that were restricting our capacity and business growth.”

Spending Hours on Paperwork
At the same time, production personnel were spending hundreds of man-hours every week filling out dozens of forms. Supervisors alone were spending between two and four hours every day on paperwork.

“When the paperwork burden is this significant, the details get overlooked,” said Gold. “At the end of the shift, most people just want to go home. They’re not interested in filling out highly detailed forms. But if you want to make significant improvements, that’s precisely the level of detail you need to have.”

SOLUTION
Gold and his colleagues had previously talked about finding a solution to these pressing issues, but nothing they had researched seemed to address all of the company’s challenges.

“We felt that MES and automated data collection tools could probably solve some of our problems, but most fell short of addressing all of our key concerns,” said Gold. “To make sense out of the raw data these systems generated, you had to first export the data into a spreadsheet. By that time, the information was already outdated.”

It was around this time that Gold came across Factory MES, a manufacturing operations management (MES) system from Aptean. Not only were Gold and his colleagues intrigued by the Factory MES concept and approach, but they also liked the fact that the system involved a short implementation time and a much shorter learning curve and faster time to value than did competing options.

“Aptean invited us to visit one of their customers’ plants—something no other vendor had offered,” said Gold. “We were able to see firsthand how that company was using the system. We asked them a lot of questions, and we left knowing that this was exactly the solution we had been looking for all along.”

RESULTS
Throughput Increased by 300%
Factory MES has primarily enabled Berner to employ Lean and Six Sigma principles to reduce waste and unlock capacity. For instance, Gold can now easily analyze performance by crew, shift or product and can therefore better determine when and where performance issues are occurring and more easily identify root causes. “I can determine exactly what is causing some of our issues and what we can do to make corrections,” he explained. “And once we implement corrective measures, we can again look at the data provided by Factory MES in real time to see if we’re doing the right things. This improved visibility has enabled us to improve throughput by 300 percent...
and increase OEE [overall equipment effectiveness] by 68 percent since deploying the system."

**More Than $3 Million in New Business**
By unlocking additional capacity and improving production flexibility, Factory MES has allowed Berner to take on three additional beverage customers that, when combined, have translated into more than $3 million in annual revenue.

“To go after that business, we either had to add a new line or figure out a way to utilize what we already had,” Gold explained. “By eliminating waste, improving our flexibility and creating additional capacity, we were able to take on the additional business without having to make that additional capital investment.”

**Reduced Performance Variances**
The ability to more easily determine when and where performance spikes are occurring allows Gold to perform more effective root cause analysis. Gold can now better determine why a line is running at different rates across shifts and therefore is able to immediately address the causes and eliminate performance variances. “Correcting these variances often creates additional capacity without having to invest in people or equipment,” said Gold.

**Reduced Rework and Waste**
Factory MES also helps Berner address specific issues more directly via individual improvement campaigns. For instance, by comparing inputs and outputs in a line, Gold can use Factory MES to more easily identify the reasons for scrap.

“The system makes it easy for operators to enter specific reason codes for scrap and rework,” said Gold. “That gives us the level of granularity we need to take appropriate action. If the data reveals that we’re getting a lot of breakage in a certain line, we can walk down to the shop floor, talk to the operator, root cause it and fix it.”

**Reduced Paperwork Leads to $30,000 in Annual Labor Savings**
“Within two weeks of first using Factory MES, Berner reduced factory floor paperwork by 40 percent, leading to an immediate $30,000 annual labor savings. Intuitive shop floor touch screens enable operators to easily enter information as things happen, eliminating end-of-shift paperwork, holding operators more accountable and ensuring that no critical data is missed.

Furthermore, because the data is entered into the system in real time, Gold and his team can now make better and more timely decisions. “We can address issues as they happen and make on-time decisions,” said Gold. “This alone has saved us a bundle.”

**A Strategic Management Tool**
According to Gold, Factory MES has become much more than a production performance tool for Berner—it’s now a strategic management tool. Finance, marketing and sales have better access to data that enables them to make more strategic pricing and promotional decisions to capture new business and further improve competitive advantage.

When asked about his obvious passion for Factory MES, Gold explained it this way: “We work in a highly competitive industry. So having a tool that enables us to continually improve our business performance and stay miles ahead of the competition is something to be very passionate about.”

**SUMMARY**
**Implementation Time:** 8 weeks  
**Payback:** 12 months  
**Benefits:** 300% Throughput improvement

To understand how we can accelerate your MES and continuous improvement initiatives with Factory MES, contact us to learn more about our unique Performance Review Service—a 3-day workshop that pinpoints specific areas of improvement, cost reductions and key performance metrics relevant to your factory.
ABOUT FACTORY MES

Factory MES is the first packaged manufacturing operations management system that transforms manufacturing performance by empowering people to take immediate action. By standardizing the best practices of lean manufacturing, OEE and continuous improvement, Factory MES provides a real-time framework that unites scheduling, operations, quality and maintenance. Specifically designed for food and beverage, pharmaceutical packaging and consumer packaged goods manufacturers, Factory MES enables real-time decision making with relevant visibility at all levels in the organization, from factory floor operators to executive management. Leading manufacturers are using Factory MES to reduce operating costs and waste, increase production capacity, improve customer service and employee satisfaction, and minimize risk by assuring regulatory compliance.

More than 9,000 customers around the world rely on us to give them a competitive edge. By providing innovative, industry-driven enterprise application software, Aptean helps businesses to satisfy their customers, operate most efficiently, and stay at the forefront of their industry.

For more information, visit: www.aptean.com