



Breyers Yogurt

Customer Details

Breyers Yogurt
www.breyersyogurt.com

Industry

Food & Beverage

Challenges

- Forced to discontinue use of previous OEE system as part of private equity acquisition

Solution

CDC Factory

Benefits

- Reduced Changeover Time by 30%
- Improved changeover enabled Breyers to produce in 5 days what previously took 6 days
- Improved quality check completion from 50-60% to 98%
- Increased on-time starts from 30-40% to 79%
- Increased fill rates from 94% to 99.3%
- \$1M cost avoidance on new equipment
- Significantly reduce late shipments to customers
- Recently selected and implemented Ross ERP as a result of the success of CDC Factory

Putting the Squeeze on Waste: Breyers Yogurt Gains an Extra Production Day and Increases Customer Service Levels with CDC Factory

Background

Previously part of Kraft Foods, Breyers Yogurt Company is now a division of Healthy Food Holdings LLC, Boulder, Colo.—a portfolio company of private equity firm Catterton Partners formed to buy healthy, natural and organic food and beverage companies. Breyers Yogurt produces a variety of yogurts under its own brand name, as well as cottage cheese for a major national marketer.

Challenge

Forced to Abandon Existing OEE System

Breyers had been using an OEE (overall equipment effectiveness) software system for a number of years. However, part of Breyers' terms of sale to Catterton Partners called for the company to discontinue its use of that system. This quickly became a concern for Breyers, since both management and the shop floor relied heavily on the system for measuring performance and improving efficiency.

Solution

Aware of the impact such a setback would have on its operational performance, Breyers immediately began a search for possible solutions. Online research turned up a few potential options, one of which was CDC Factory from CDC Software—the first packaged manufacturing operations management (MOM) system that transforms manufacturing performance by empowering the factory floor to take immediate action.

Matt Davis, Business Unit Manager at Breyers, headed a preliminary evaluation of the system, which included a three-day performance review in Breyers' manufacturing plant. CDC Factory personnel set up a live environment using real Breyers production data, and Supervisors and shop floor staff were tasked with testing the system and asking questions.

The decision ultimately came down to three competing systems. Yet according to Davis, CDC Factory proved to have all the functionality Breyers needed, plus enhancements it didn't currently have. For instance, Breyers had been tracking productivity through its OEE software, weight control through another system and quality control through a third system. CDC

Factory would allow Breyers to roll all three of those functions into one application.

Davis also liked the fact that CDC Factory had a proven track record. "All of the other offerings we researched were hypothetical," said Davis. "A number of vendors were willing to write the software for us, but we weren't interested in going down that road. CDC Factory was the only existing system that met our requirements and was packaged and ready to go. Plus the fact that it was yielding tangible results in other food and beverage organizations was a huge bonus."

In early February 2006, Breyers made the decision to move forward with CDC Factory. Facing a June 1 cutoff of its existing OEE software licenses, time was of the essence. The implementation began in late March of 2006 and was completed in six weeks.

"It was a very fast implementation," said Davis. "The whole project plan was carefully assembled, and almost everything happened when it was scheduled to happen." In fact, the implementation went so smoothly that Davis and his team ended up bringing up all lines over the course of three days instead of the five originally planned.

Results

30 Percent Reduction in Changeover Time

Once Breyers went live on CDC Factory, the first initiative it undertook was to measure changeover times on one of its lines. This particular line was experiencing a large number of daily changeovers, each taking an average of 25 minutes. CDC Factory allowed Breyers to identify the causes of the inefficiency and its financial impact on the company.

Armed with better information, operators went through a process of improving the structuring of changeovers. In the end, they were able to shave almost 30 percent off their changeover times, reducing them from 25 minutes to an average of 18 minutes.

Increased Production Capacity

In terms of productivity, the improved changeover time allowed Breyers to schedule higher production volume in each line. This



enabled the company to produce in five days what used to take six days, resulting in either an extra day's worth of product or a significant reduction in overtime costs.

According to Davis, the ability to streamline changeovers will be critical to Breyers' success in 2008. The company is expecting a higher frequency of changeovers in the coming months, due to some forecasted changes in customer demand. "As the frequency of changeovers increases, we will be able to more accurately track our progress and identify areas for improvement."

“If we start on time that means we can finish on time, which means we limit or significantly reduce late shipments to customers. Since our products are perishable, on-time shipments are critical. We've increased our fill rates from 94 percent to 99.3 percent, all while reducing overtime costs,”

Matt Davis
Business Unit Manager

Improved Portion Control

CDC Factory's quality module has also enabled Breyers to get a much better handle on portion control. Within weeks of using the system, Breyers discovered that it had been giving away more product than it had previously believed. Now that entering sample weights is much easier for operators, data accuracy is significantly higher and over-packing has been greatly reduced.

Greatly Increased Visibility

Prior to going live on CDC Factory, Breyers quality control personnel continually went through reams of paper to find documentation on quality checks. Now this information is just a few clicks away. "I know exactly who performed the checks and when they were performed," Davis said. "With our old system, this information would have taken days to find. And because quality checks were done on paper, I always wondered whether the data was credible."

Improved Accountability

Accountability has also improved greatly. All actions in CDC Factory are time-stamped and documented with the person who performed them. "Previously, it was difficult to determine

whether or not an operator was actually missing his or her quality checks," said Davis. "But within a couple of weeks of using CDC Factory, we were at 98 percent quality check completion, compared to our previous 50 to 60 percent average."

Increased Fill Rates while Reducing Overtime Costs

Yet another benefit has been Breyers' significant improvement in its compliance to schedule—a measure that compares scheduled versus actual production in any given week. On-time starts have also improved greatly, from an average of 30 to 40 percent to a current average of 79 percent.

More Accurate Root-Cause Analysis

CDC Factory has also enabled Breyers to increase line availability through improved root-cause analysis. "We now take our downtime data and carefully review it with the maintenance staff at the end of every shift," said Davis. "That way they know which lines are having problems and they can get right to work on addressing the root cause, rather than having to spend valuable time digging through paperwork or trying to get the information directly from operators."

\$1 Million Cost Avoidance

Perhaps the most unexpected benefit from CDC Factory so far has been Breyers' realization that a proposed purchase of a new \$1 million piece of equipment was not necessary. What appeared to be a problematic filler running at an average of 40 percent efficiency turned out to be the result of other issues that Breyers was able to resolve for a fraction of the cost.

"We ran a series of reports on downtime from CDC Factory, and it turned out that most of it was not the result of the filler. It was the result of a number of other issues on that line that we were able to resolve for about \$50,000. Needless to say, this was a huge savings for us, and yet another sign that we had made the right decision in going with this system."

A Trusted Partner

A testament to Breyers' satisfaction with CDC Factory is the company's recent purchase of Ross ERP—CDC Software's enterprise resource planning solution. "This goes to show how much confidence we have in CDC as a software vendor and as a partner. We're also very excited about being able to marry the shop floor software to our ERP backbone. Having that bridge to and from CDC Factory will be a huge benefit for us."

About CDC Factory

CDC Factory 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, CDC Factory 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, CDC Factory 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 CDC Factory to reduce operating costs and waste, increase production capacity, improve customer service and employee satisfaction, and minimize risk by assuring regulatory compliance. For more information, visit: www.cdcfactory.com.

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CDC Software | Two Concourse Parkway, Suite 800 | Atlanta, GA 30328 | USA | www.cdcfactory.com | +1.786.235.0682 | +1.770.351.9600