

## Continuous Improvement - The Premier Way

PREMIER FOODS IS THE UK'S LARGEST FOOD PRODUCER, with 36 UK and Ireland sites, around 15 thousand employees, and a £2.7 billion turnover. A staggering 99.4% of British households bought a Premier Foods brand last year. An estimated 47.2 million consumers have eaten at least one such product within the last fortnight. It's no wonder then that Premier Foods has people with cohesive vision and a big agenda leading the organisation.

### Setting the OEE Standard

In 1998, the visionary Manufacturing Director of the former British Bakeries Division of Premier Foods, Bob King (now Group Head of Operational Excellence), decided to implement a system that would measure Overall Equipment Effectiveness (OEE) and support continuous improvement programmes by providing a consistent bench-mark across 15 bakery sites. The success of this initial project, and the financial and operational benefits of implementing the Idhammar OEE System has since lead to group-wide roll out...

*"Idhammar Systems understands the added value of intelligent, flexible manufacturing software systems which supports our efforts towards world-class manufacturing."*

Bob King, Group Head of Operational Excellence.

### A New Manufacturing Strategy

Following the acquisitions of the Campbell's and RHM businesses in 2006 and 2007 respectively, Premier Foods implemented a new divisional structure. With the aim of developing a consistently high standard of manufacturing across the Grocery, Chilled and Hovis divisions, a new manufacturing strategy and system was also devised with the following strategic imperatives:

- Safety is the number 1 priority
- Drive business efficiency improvements continuously
- Reduce manufacturing controllable costs year on year
- Highest quality at lowest cost
- Sustainability, flexibility, scalability
- People engagement

Hence, the Premier Manufacturing System (World Class Manufacturing) was launched, with 'People Engagement' at the heart of the operation.

### The Mission – Making Every Second Count with OEE

In line with the re-organisation, a new central Manufacturing Improvement team headed by Bob King, embarked on a mission to ensure a systematic process for Business and OEE improvement across the company.

In order to support this 'Premier ATTACK'\* process , the group launched a technical and training project to roll-out the latest version of the Idhammar OEE System to all divisions.

*\*See the 'Premier ATTACK' process wheel overleaf.*





**The ‘ATTACK’ Process – Making Better Calls**

In early 2010, as part of the ‘Premier ATTACK’ process, the Idhammar OEE System was used to baseline and compare each sites’ performance, as all divisions are on the same Idhammar OEE database. The sites then embarked on a continuous improvement programme using the specially developed ‘ATTACK’ improvement toolkit and the systems’ built-in Improvement Agenda to track and monitor progress. Group Manufacturing Excellence Manager, Graham Paterson explains:

*“Focussing on improving OEE is always the right thing to do as far as we’re concerned. Accurately analysing our losses and quantifying improvement opportunities using the Idhammar OEE System enables us to prioritise the loss management strategy at each site. We use the OEE reports to guide our Improvement Agenda - and we can share our progress with the whole group. The benefits of OEE improvement using the Idhammar OEE system actually support all strategic imperatives. An effective plant is a safe plant – and the OEE system is designed to engage people throughout the manufacturing function.”*

**Benefits of OEE gains at Premier Foods**

Using the Idhammar OEE System, Premier Foods has been able to quantify:

- Capacity Release - time savings on each line enabling more sales volumes
- Labour Productivity - better running speeds producing same volumes faster
- Waste Reduction - less line waste through by improving reliability
- Energy Savings - producing volumes faster requiring less operating energy
- Lower cost per unit - making the product more profitable

These sustainable gains help Premier Foods to establish a significant competitive advantage.

**Productivity - Continually Improving**

With such a rigorous continuous improvement drive, Premier Foods has tested every function of the Idhammar OEE System, and has helped Idhammar Systems to shape the development path of the product, adding new features to the Improvement Agenda and Analysis suite – including the new Productivity Reports. Labour recovery is a vital step in an effective organisation like Premier Foods, and the Idhammar OEE System now helps manufacturing teams to compare actual labour used within the process compared to an established target crew size – providing an Overall Labour Effectiveness score (OLE). This ability to identify the labour cost, per product made, adds a powerful extra dimension to the Idhammar OEE System. Graham Paterson discusses:

*“We’ve worked closely with the whole UK Idhammar team during the roll out of the latest version of the system to the sites - from training staff to the technical developers. Idhammar has been keen to help us get what we need from the system, and has also developed the features that we want – like the OLE reports.”*

**The Long Haul – A Sustainable Partnership**

Founded in 1996, this long relationship with Premier Foods is a prime example of Idhammar’s aim to partner customers over the long haul in their quest to develop ‘Manufacturing Excellence’, and an advantage in their market-place.



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*Idhammar’s OEE System is a powerful solution that plays an important role in supporting the world-class manufacturing required by Premier Foods.*  
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BOB KING,  
 HEAD OF OPERATIONAL EXCELLENCE,  
 PREMIER FOODS.

