



Alphanova Consulting

EFFECTIVE SOLUTIONS. LASTING RESULTS.

Medical Device Manufacturer needed to improve profitability

IMPROVED ON-TIME
DELIVERY

14%

Improved on time delivery from BY **14%** (from 84% to 98%)

INCREASED INVENTORY
TURNS

60%

Increased inventory turns by **60%** (from 5 to 8)

REDUCED EXCESS
& OBSOLETE INVENTORY

30%

Reduced excess and obsolete inventory by **30%**

REDUCED MACHINE
CHANGEOVER TIMES

75%

Reduce changeover times by **75%** (from 4 to 1 hrs)

The client is a cutting-edge medical manufacturing company exclusively dealing in contract manufacturing of wound care products. The client specializes in high volume custom production runs, patented products and FDA 510K required products. The client offers one-source design, engineering, contract manufacturing, packaging, and regulatory support.



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The client had been awarded several manufacturing contracts; they were poised for growth. However, their operation was a bottleneck and needed to increase their capacity to serve all contracts rapidly.

The client had challenges absorbing the growth due to:

- On-time delivery at 84%
- Long changeover times (4 hrs+) were taking a significant amount of production time
- The high inventory levels were taking a significant amount of working capital
- Employees were not trained in making operational improvements
- The warehouse had operational challenges in shipment accuracy, excess & obsolete inventory, and receiving cycle times

After completing this engagement, the operation was poised to handle the new contracts coming into their business. Late deliveries were no longer a risk of stopping production, and the client had a plan on how to handle additional growth.

We identified opportunities in this business and used a three-phase approach:

- **Phase 1 – Creating flow:** We completed a value stream map and developed an implementation plan. Some of the resulting improvements included re-designing the plant's layout and working on reducing set-up times.
- **Phase 2 – Standardization & Continuous Improvement:** We began to standardize processes to eliminate delays caused by errors and implemented visual management boards to monitor and improve performance continuously.
- **Phase 3 – Improve the supply chain:** In the last phase, we focused on improving the planning and warehouse functions of the operation. We improved purchasing and scheduling strategies. Finally, we made several improvements to the warehouse operation.

About Alphanova Consulting

We help manufacturers achieve and sustain operational costs reductions of 20%+, improve on-time delivery to 99%+, and reduce defects to improve product quality to 99%+. These changes help our clients grow company profit margins by up to 25%.

We have developed and used a *proven approach* to ensure businesses achieve and sustain significant performance improvement. Our consultants have over 15 years of experience working with organizations and developing their capabilities.

Our approach is based on the following belief:

Ideal Behaviors + Ideal Processes = Ideal Results

If you are ready to drive significant improvement that leads to profitable growth in your business, get in touch:

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