

Gundle Plastics

Reduction of overall costs structure

More than a quarter of a century ago Gundle introduced wide width plastic sheeting to control damp and water penetration into buildings. Over the years it has expanded its manufacturing capacity and is today one of the largest flexible plastic film manufacturers in the Southern Hemisphere manufacturing a large range of both printed and plain packaging materials.

“These results were beyond expectations, especially in light of the age of the equipment”

Marius Steffens
Winhold Group
Technical Manager

Key Results

Head count reduction
of 23%

Overtime reduction of 47%

Scrap reduction of 19%

WIP Inventory reduction
of 63%

Faulty Goods reduction
of 14%

Raw materials Inventory
reduction of 41%

PROJECT GENESIS

Gundle is the market leader in Southern Africa, manufacturing a host of packaging products which include the following:

- Construction and Agricultural Sheeting.
- Printed and plain Co-extruded packaging films for the Fast Moving Consumer Goods (FMCG) sector.
- Dam lining membranes.
- Heavy duty bags.
- Woven polypropylene block bottom valve bags.
- Load stabilisation film such as Stretchwrap, Shrink Shrouds and Stretch Hoods.
- Printed and plain films for liquid packaging.

ANALYSIS

Renoir was engaged to conduct an analysis at the Germiston plant in South Africa, looking into the structure, productivity levels, sales, OEE and cost structure.

Some of the main findings were:

- There was a need for a clear distinction between non-value added time and productive value added time.
- The current model did not facilitate active supervision, planning, reporting, reviewing and making corrective action through daily review meetings.
- Processes were weak and turnaround times were too slow.
- Standards of service levels differed.

PROJECT APPROACH

As a result of these findings, Gundle commenced a 28 calendar week's project in partnership with Renoir. The Ushintjo Project was created to facilitate the project with the following objectives:

- Implement Account Management systems and practices.
- Define a manufacturing model for the optimum cost-revenues levels.
- Generate more available time and increase the effectiveness of time.
- Install the behavioural changes in order to ensure sustainability of the new systems and processes.

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FOCUS PROCESS®

The initial 4-week Renoir Focus Process® phase focused on the identification and qualification of opportunities in:

- Sales & new Product Development.
- Production Planning.
- Raw Materials and Cores.
- Maintenance.
- Production (Mixing, Extrusion, Bag Making, Printing and Finishing).
- Finish Goods and Dispatch.

Once accepted, the Ushintjo Project team implemented the 'New Way of Working'.

IMPLEMENTATION

The Project's main impact was the creation of a dedicated team focusing on the above. In addition, job descriptions were enhanced, enabling the Head of Departments to manage more effectively the day-to-day activities. A new span of control policy was also implemented. One of the tools introduced was the Production Plan which enable Gundle to 'freeze' the plan for 12 days. The Overall Dashboard was also enhanced, allowing all HODs to keep track of their performance. Of key importance was that these changes were to be sustainable. Systematic audits and checks were developed to ensure that the new structure and new way of working were understood and that all staff was able to increase their levels.

RESULTS - BEHAVIOURS

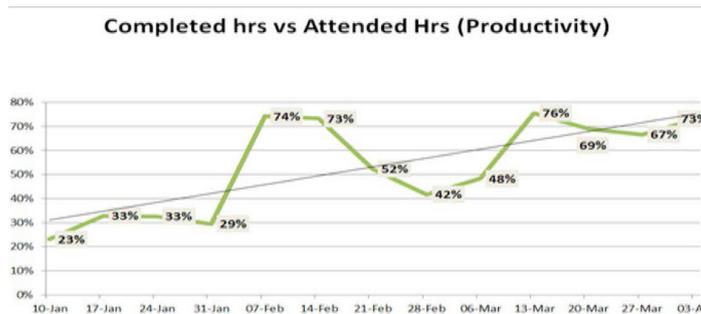
- Improved leadership by the HODs.
- Daily Review Meetings.
- Better communication between HODs and Management.
- More structured ways of working.
- A mindset shift.
- Increased visibility.
- Report and Dashboard.

THE RENOIR GROUP

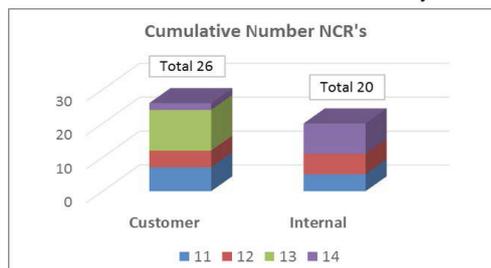
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