

## Ashbury Confectionery

### Making an investment sweeter

Alchemy Partners, one of Britain's foremost venture capital companies, found itself in a heated battle with three other potential venture capital investors over Ashbury Confectionery a small niche manufacturer with blue chip clients. Gaining a one week "exclusive", it called in Renoir Consulting to carry out an operational due diligence assessment. As a result, Alchemy was able to structure a deal favoured by the MBO team and succeeded in the investment. Key to the deal was an agreed involvement by Renoir to look at the business with a view to quickly ramp up its potential. Renoir's involvement at this stage not only helped Alchemy win the deal, but through an implemented change programme following the investment, the Ashbury Renoir team delivered an immediate annualised savings of £600,000, rising to £900,000 and an increase in throughput of up to 25%. Ashbury Confectionery is a manufacturer of own label and branded chocolates, producing chocolates for Woolworth's, Marks and Spencer, Tesco and Sainsbury's.

"As providers of venture capital, our investments have a degree of risk. The Renoir Group's involvement in an investment made by us has helped reduce its risk profile."

**Martin Bolland**  
*Partner, Alchemy Partners*

#### Key Results

£900,000 in cost reduction

25% throughput improvement

New forecasting & planning model

Significant behaviour change

#### ANALYSIS

An initial assessment looked at the overall business. The study that the process of producing chocolate was fairly simple, but there were many complexities resulting from up to 15 different varieties in each pack and double handling of the unwrapped product for multiple customers. Equally, the changeover process was fairly simple, but time consuming. There were also issues around product run length versus stock holding and shelf life.

Finally, there were questions about the forecasting and production planning process.

#### PROJECT

There are two critical aspects to the success of any change initiative: getting the technical aspects right and the complete involvement of all the main players. The most effective balance is achieved through our Focus Process™ and our clients tell us that it is this approach that sets us apart.

It was agreed that the main focus was to improve operational performance, reduce indirect costs and to introduce a branded candy bar line, with associated higher margins, to supplement the existing product range.

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## OUTCOMES

Specifically, the Ashbury-Renoir team:

- Improved systems, processes, communication and accuracy of sales forecasting data
- Developed new processes for handling multiple customer wrapping complexities
- Used 'SMED' concepts to improve changeover strategy and effectiveness
- Developed a new forecasting and planning model to handle the complexity of different varieties and optimum run lengths.
- Reduced costs by £900,000

## THE RENOIR GROUP

Renoir Consulting is a world leader in sustainable, implemented change. Founded in 1994, Renoir has offices located in North and South America, UK, Europe, Turkey, Middle East, Southern Africa, India, Pakistan, China, South East Asia and Australasia. With over 350 fully employed and highly trained consultants, their work across a wide range of industry sectors gives them a broader perspective of the issues facing your business, allowing them to be sensitive to your unique challenges, culture and specific business issues. This cross-pollination ensures truly effective, rapid and sustainable solutions.

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