

Century Paper & Board Mills Ltd

Bringing about a very visible change



Century Paper & Board Mills Ltd (CPBM) is listed on the Karachi Stock Exchange and is part of the Lakson Group of Companies. CPBM is Pakistan's market leader for coated Board products and second in Corrugated boxes. The mill, which is located 62 km outside Lahore, is fully integrated and consists of a straw pulp mill, seven paper & board machines, two sheeting and finishing houses, a corrugating box plant, and a captive Cogen plant for generation of power & steam.

"My best felicitations to Renoir and Century team for bringing up a very Visible Change"

Aftab Ahmad, CEO

PROJECT GENESIS & ANALYSIS

The market in Pakistan had changed due to an increase of imported paper and board products, especially from China. These imported products drove prices down and CPBM was forced to respond. Management decided to improve the operations processes at the mill to differentiate themselves from the competition, rather than engage in discounting. Renoir was selected to conduct an analysis.

The 2 week analysis highlighted the potential to increase the output tonnage by 3% and reduce the material losses by .5%. An implementation program of 30 weeks was presented and accepted.

PROJECT APPROACH

The project was divided into two areas (Management Action Teams):

- 1. Production planning
- 2. Production and Maintenance

The initiatives were conducted with an extensive task force of 11 young engi-neers from CPBM with guidance from the Renoir team and involved manag-ers. The major initiatives included:

- Production planning; implemented a frozen plan concept together with sales & marketing to achieve smoother and longer job sequences.
 Improved visibility of the production status for sales & marketing helped understanding.
- Best Practice; changed from using speed ranges to an optimal, set speed per product, implemented and set new standard times in all repetitive down-time jobs and agreed a responsibility matrix on key tasks. New standard times were set in collaboration with operators and implemented by drills.
- Preventative Maintenance; a com-plete program was scoped out through detailed analyses to develop a preventative maintenance strategy which was implemented with a "one sheet plan".
- Quick Maintenance Actions; joint walkthroughs were conducted on two major lines in order to take quick actions regarding technical or operational weaknesses. More than 90 actions were implemented during the project..
- Quality Circles; in order to minimize sheet brakes and shade variations,

Key Results

A 1:1 ROI within the project duration

Annualised ROI of 3:1

Material losses reduction 300% above target

Visible changes in behaviour, skills and attitude

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"One of the most beneficial lessons learned is the power of working in cross-functional teams"

- Jahanzeb Ali, General Manager Production

- brainstorming sessions were conducted to come up with new ideas as well as test some thoughts. Many preventative actions and processes were proposed and implemented thereafter.
- Material losses in sheeting halls, box plant, R/M handling and deckle utilisa-tion were focused on. Several specific tasks were conducted to reduce the losses: changing of stacking and packing of materials, focused reports, usage and set up of machinery, clean-ing and training on new work instructions.
- Management Control System; implemented daily production reviews meetings, weekly production & technical meeting per line, monthly sales operation planning meeting within box operations and a temporary technical breakdown report
- Specific training; more than 380 people were trained in the areas of material handling, technical ERP notification and forklift driving. On top of that many workshops, drills, brainstorming session and training on standard operating procedure training has been conducted (more than 100 standard operating procedures or work instructions have been written or revised and filed in ISO and QMS)

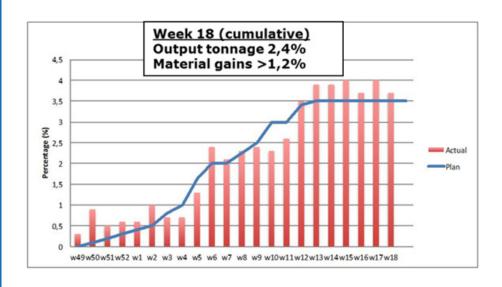
The project delivered back its investment during the project phase, despite 2.5 months of power crisis within Pakistan. The annualized ongoing gains (last 3 months) follow a return on investment of around 3:1. The changes in behaviour are becoming more proactive, momentum is accelerating, collaboration between departments is increasing, and there is change in the mind-sets and attitudes. An added plus foe CPBM was the coaching of 11 future leaders.

"This project showed us how to use the mind of the team to perform better.", Imran Rao

THE RENOIR GROUP

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