



Success Highlights

Challenges

- Reduce overtime and inventory costs while supporting a reliability program
- Gain access to consistent and accurate data on key manufacturing metrics

Solution

- Epicor Informance, enterprise manufacturing intelligence (EMI) system

Benefits

- Reduced overtime and inventory carrying costs
- Consistent equipment usage metrics
- 33% improvement in identifying losses
- 39% improvement in productivity
- Within 1 year—20% more product produced per shift, 40% less labor needed per shift

Cargill Salt

Improves productivity with real-time analysis and performance metrics

Company Facts

- Location: Outside Minneapolis, Minnesota with more than 20 manufacturing plants across the United States
- Industry: Salt producer
- Web site: www.cargill.com

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Greg Yeager, Industrial Salt, Reliability Leader | Cargill Salt

Productivity challenges

Cargill Salt produces more than 1,000 salt varieties and different package sizes for national and regional brands. Seasonal product demand combined with inconsistent capacity use across manufacturing locations caused sporadic excess and out-of-stock finished goods inventory.

To maintain high customer service levels, Cargill Salt frequently incurred higher costs in the form of overtime labor and inventory carrying costs. Fueling this scenario, Cargill Salt leaders did not have consistent or accurate data on key metrics, such as overall equipment effectiveness (OEE), downtime, and performance. In fact, performance sometimes showed at greater than 100 percent. Not only did this create an air of distrust between the supply chain and operations professionals, but the production planners used this input to create unreasonable production plans. Conversely, when plant staff members reported downtime manually, the information was unreliable because not all downtime was captured, nor were all the downtime reasons included.

Solution

Cargill Salt decision makers wanted a solution that would work in harmony with their reliability initiative. They selected Epicor Informance for its enterprise approach to operations excellence. The solution delivers real-time analysis and performance metrics to line workers, plant staff members, and corporate executives by stock keeping unit, product type, production line, plant, and network.

"Epicor Informance EMI gives us a new way to look at our business—by line, by plant, a set of plants, or the entire network," says Greg Yeager, industrial salt reliability leader. "We derive insights not possible before, and we know that the information we see is up to the minute and accurate."

This broad and granular analysis within and across plants enables staff and team members to prioritize and take action according to the impact it would have on performance and business objectives.

Impact

Cargill Salt business leaders acknowledge a long list of value derived from their initiative. Within days of using Epicor Informance, Cargill Salt started receiving consistent equipment usage measurements. This early value was a direct result of the detailed nature of data collection and standardized measures. At this stage, managers noted that reported downtime doubled, which they agreed signaled that much of their downtime previously had gone unreported.

Executives noticed a direct correlation between identifying downtime and losses and production. Early rates of about 71 percent yielded 1.15 million more units than previous methods. When identifying losses increased to 95 percent, production advanced by another 1.6 million units—a 33-percent improvement in identifying losses that yielded a 39-percent improvement in productivity.

"For the first time, we had healthy discussions like 'What can the plant really do?' and 'What can the plant do on a great day?'" Yeager says.

With Epicor Informance, managers say they also can see the "what" more clearly—and have a better understanding of the "why." For example, one asset cost a plant 7 percent of capacity from a minor stop averaging 65 seconds. While the operators knew about the issue, they did not have the evidence needed to correct on that specific loss area. Using Epicor Informance, they prioritized and

quantified the loss, implemented a fix, and reduced that specific loss to only one percent of capacity.

"We continue to work hard, but we're also working smarter," Yeager says. "We use Epicor Informance to justify capital investment. Managers now can ask the right questions, and justification is no longer subjective, but quantifiable. When professionals consider three manufacturing lines, and OEE of 60 percent, they know that adding 20 percent to each line is the same as an additional line."

One Cargill Salt plant increased OEE by 18 percent within the first 6 months; and, within the first year, the same plant was producing more than 20 percent more product per shift compared to the previous year, while spending 40 percent less on labor per shift.

Conclusion

"Epicor Informance complements our strategic efforts to migrate all business units to common platforms," says Ron Christenson, corporate vice president and chief technology officer for Cargill Inc. "The wide adoption not only helps the businesses to work toward common goals, but also creates an environment for collaboration and sharing of best practices."

About Epicor

Epicor Software Corporation is a global leader delivering business software solutions to the manufacturing, distribution, retail, and service industries. With more than 40 years of experience, Epicor has more than 20,000 customers in over 150 countries. Epicor solutions enable companies to drive increased efficiency and improve profitability. With a history of innovation, industry expertise, and passion for excellence, Epicor inspires customers to build lasting competitive advantage. Epicor provides the single point of accountability that local, regional, and global businesses demand. For more information, visit www.epicor.com.

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