Rationalising Operations in a Plastic Products Manufacturer

Client Challenge
Reorganise a recently acquired £3m turnover UK-based subsidiary of a large American corporation, manufacturing high-technology polymer mouldings for the electrical utility, rail transport and telecom industries.

The Parrallel Effect
Sales from the UK site rose from £3m per annum to £10m per annum over an eighteen month period by relocation of manufacturing responsibilities from other company sites and organic growth within the competitive internal market of the parent corporation.

How We Achieved It
The Pain Diagnostic® identified a set of immediate issues:

- A hotchpotch of small manufacturing and operational sites spread throughout the world, badly coordinated and of sub-optimal size.
- A first attempt at rationalizing manufacture had crippled the company’s ability to deliver a number of its key product lines.

The Parrallel Consultant devised a short-term plan to relocate manufacturing processes from USA, Germany, Luxembourg and France to the UK site, reorganising the company around a central UK site in the East Midlands and scale-down overseas plants into satellite sales offices. The scattered product portfolios were rationalized into a single global catalogue, and a TQM-led Customer-focussed culture was introduced into the company.

The above actions addressed failing customer confidence in the short-term and gave the company breathing space to develop a longer term strategy, which included exploiting the UK site’s specific polymer moulding expertise to meet manufacturing requirements across the whole of the parent corporation. The parent achieved a net benefit of several million pounds per annum in ongoing savings.