

Case study Home Entertainment Company

BENEFIT	MEASURE
Storage capacity increased	30%
Labour costs reduced	40%
Packing capacity increased - Italy	64%
Packing capacity increased - London	34%

The scenario

With a global presence and strong brand in the worlds of film, television and gaming, this client wanted to consolidate and optimise its operations throughout the UK and Europe.

The primary focus was on production, distribution and labour costs. For this project, there were three key priorities:

- Streamlining the overall supply chain costs
- Consolidating the production and distribution facilities
- Streamlining the overall labour costs

The project

A series of specific goals were set for the project:

- To expand and redesign the Italian facility
- To close the Dutch facility and transfer operations into the facilities in London and Italy
- The transfer and refurbishment of machinery
- The transfer of stock with a contract value of £20m
- Refurbishment and extension of the dry goods area
- A redesign of the packaging warehouse to include narrow aisle racking and wire-guided trucks

The mechanism

Making changes that lead to sustainable improvements requires a consultative approach, involving everyone affected by the process, in every area of the organisation.

To achieve this deep level of effective change, WBS creates an implementation team made up of WBS consultants, and representatives from the client's own people. In this instance, the client created a project team organised into five groups, with each group trained in the skills required to perform their designated tasks:

- Transfer Team – targeted with identifying the stock to be moved, packing and itemising the stock, arranging transport, unpacking and sorting at the new destination, and uploading onto the company's computer system
- Refurbishment Team London – targeted with extending the dry goods warehouse, which included the building of a mezzanine floor, removing the old racking in the packaging warehouse, redesigning the warehouse layout, installing new racking, installing new wire-guided trucks, and training all warehouse staff on new materials handling equipment and operating procedures
- Refurbishment Team Italy – targeted with extending the packing hall, refurbishing the existing packing hall, creating a distribution warehouse and refurbishing the existing dry goods area
- IT Team – targeted with the transfer of data from the Manufacturing Resource Planning system
- Customer Communication Team – targeted with providing daily communication and progress reports to the client



The benefits

- The seamless transfer of product from the Dutch facility into the London facility.
- No disruption to day-to-day operations
- Storage capacity at the London facility increased by 30%
- Labour costs reduced by 40%
- Distribution centre created at the London facility to service the UK, French, German and Benelux markets
- Distribution centre created at the Italian facility to service the home market
- Packing capacity increased by 64% in Italy
- Packing capacity increased by 20% in London

