

# Case Study

- Customer – Tier1 Supplier
- Product – Interiors with JIT
- Main Issues
  - \$16M in OEM penalties for shutting down production
  - Labor cost and turnover were high due to working 24/7

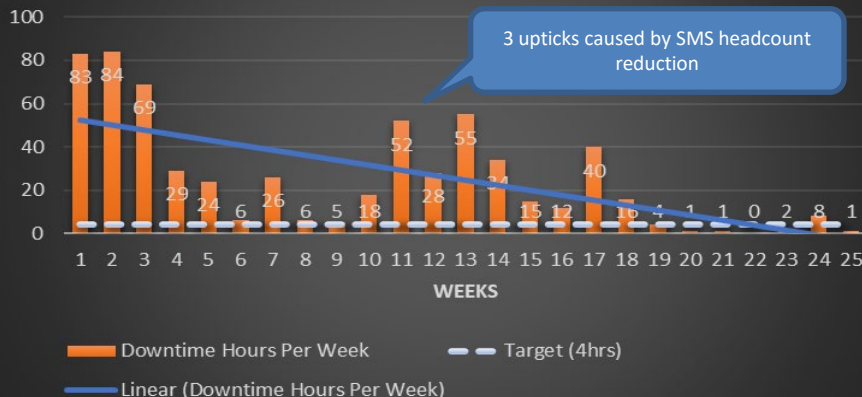
## Results

- ☑ Customer penalty after Spectrum start was \$500k and it was prior to having improvements implemented
- ☑ Downtime reduction across all lines from an average 804 minutes a day to 7 minutes a day
- ☑ OT Reduction better than forecast within 2 weeks
- ☑ Inventory accuracy improvement from 72% to 96%
- ☑ Labor headcount reduction from 761 to 598

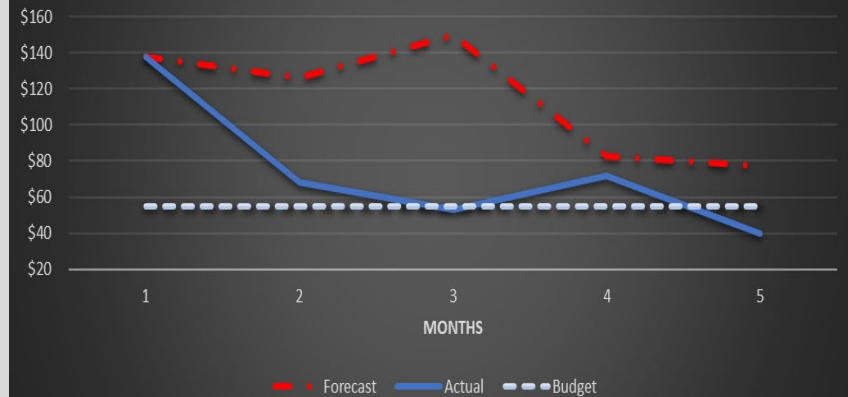
*I heard you were good, but I didn't realize you would be this good. We have been using other contract companies and have not seen success like this.*

- NAO Supply Chain Director at Tier 1

## Material Shortage Downtime



## OT - Salary Variance



- Actions
  - Implemented an Architect and 16 seasoned crisis experts within a week to identify and drive improvements
    - Contract headcount reduction started within 5 weeks