

# Case Study

- Customer – Tier 1 Supplier
- Plant – 1M sq ft with 1,300 team members
- Main Issues
  - Customer downtime penalties of \$500k a month
  - Struggling to maintain supply to their customer for the launch of a new model
  - Multiple examples of costly downtime for their customer due to component supply constraints
- Results
  - ☑ Monthly profit improved by 4%
  - ☑ Throughput improvement and schedule attainment
  - ☑ Customer downtime eliminated
  - ☑ Based on customer downtime elimination alone, payback for investment in Spectrum (\$1.2M) was three months
- Actions
  - Spectrum team of both operations leadership and materials leadership engaged to accelerate the turn around and protect the OEM
  - Spectrum redesigned the material flow and installed containment management of Tier 2 component suppliers
  - Spectrum installed qualified first line supervision on the plant floor as well as several operations management positions
  - A “back to basics” approach was applied to improve throughput throughout the plant
  - Planning and scheduling materials resources were installed to supplement the existing resources
  - Spectrum remained on site with a small team in a continuous improvement mode as well as continued training of the client resources