



Shutdown Optimization; Increased revenue & reduced costs with a Global Pharmaceutical Company

RTL Global Engineering Case Study

Overview

A Global Pharmaceutical company had begun a cost reduction program throughout the manufacturing network. With a significant focus to remain competitive in the market, the main objectives were a reduction of Shutdown duration and OPEX expenditure through Preventive Maintenance Optimization.

Reduced Shutdown durations would increase profitability through increased manufacturing capacity, with additional OPEX reduction targeting overall net spend, this project would increase output and reduce the costs associated with providing reliable equipment.

The company partnered with our Maintenance & Reliability Experts to lead the Shutdown & PM Optimization project.

In 12 months, OPEX costs had been reduced 36%, in addition to increasing Manufacturing Output by 40% across 3 key facilities.

Situation

With a global mandate to Increase Manufacturing Opportunities and reduce cost, the company requested our support to deliver the requirements set out in global initiative.

Our Subject Matter Experts developed a Project Management, Mentorship & execution roadmap which was designed to deliver maximum results with only minimal, manageable change.

In addition to providing a “quick win” it would also provide the local team with the knowledge and skills to apply the process to any facility,

now or in the future, contributing to current goals and fostering a continuous improvement mentality.

Solution

To ensure the project would add value where it counts, our Subject Matter Experts worked remotely to facilitate scoping sessions with key stakeholders, including multi discipline leadership teams from both the Global & Local functions.

Upon completion of the scoping sessions, 3 facilities with almost 100% utilization had been identified; these included an API facility which provided multiple sites in the global network and two sterile facilities, which manufactured two of their most successful products.

Using the company’s newly developed procedures and applying lessons learned from our own multi-industry experience, a number of Standard Operating Procedures (SOP’s) were introduced to provide a clear and concise methodology, intended to reduce the shutdown duration and remove the risks of a delay in plant restart.

In addition to improved planning, scheduling & restart risk management during the shutdown execution phase, multiple maintenance & calibration activities were extended, resulting in a reduced worklist and reduced OPEX costs.

This was made possible by ensuring all extensions were completed using the newly introduced SOP’s and justified with clear documentation & evidence to maintain Quality



Assurance and ensure all cGMP requirements were met.

After spending 12 months on location, our experts nurtured a site wide understanding of the methods, process & evidence required to deliver an effective optimization project, compliant with all cGMP requirements.

Results

After our successful collaboration, the company achieved a 35 - 51% reduction of planned downtime across 3 target facilities, while also reducing Maintenance & Calibration costs by approximately 0.8 Million USD in the first 6 months.

In addition to savings mentioned above, the company also created an additional 7.5 Million USD through increased manufacturing opportunities, from the same 3 facilities in a single fiscal year.

Once the concept had been proven through an established methodology and demonstratable results, a significant measure of success was the cultural acceptance and change of mentality from a workforce who had been comfortable for decades.

Even though the “Quick Win” financial results were impressive, we are proud to say that the local team have independently applied the same methodology to the coming fiscal years in all 3 target facilities, while also expanding across the site ensuring continuous optimization and a pipeline of financial rewards.

Our Subject Matter Experts have not only delivered short term results through Project Management & execution leadership, they have also provided an opportunity to remain competitive in the future through the transfer of knowledge support and mentorship.

If this is something you would like to apply within your organization or to discuss your challenges with us, email us at: Solutions@RTL-Global.com

RTL Global Consultants

Multi Discipline Subject Matter Experts providing tailor-made training , mentorship & consultancy services