
What Iter did for Owen Mumford

● Introduction

Owen Mumford is a leading medical device design and manufacturing business. It operates from three factories: two in the UK and one in the Malaysia, with product sold through national sales companies and distributors throughout the world.

● The Challenge

High levels of variability in operational performance within manufacturing impacted operational efficiency, more importantly on-time delivery (OTD) and customer service. Sales companies attempted to protect the end customer by holding large, but poorly defined finished goods inventories but still incurred high levels of express delivery. Iter was asked to undertake a strategic review of internal and external supply chains, create a cost-to-serve model, quantify the limitations in the current operations and define a transformation strategy.

● Our Approach

Iter's multi-disciplinary team reviewed and modelled the operational effectiveness of the supply chains to identify the root causes of variable service to the market companies. A variety of analytic tools were used, supplemented by interviewing key personnel in manufacturing operations and national market companies. Tools used included:

- Value Stream Analysis and Process Mapping to understand how effectively current processes and procedures operated
- Strategic Inventory Modelling at key points in the supply and distribution channels to optimise the level and mix of inventory required to achieve the required service level
- Cost-To-Serve Modelling to understand the impact on the balance of operating costs, working capital and service provided a result of any proposed improvements.

At key points in this initial strategic review the observations and the data models were validated with the client team. In a series of workshop sessions findings were shared, challenged and agreed, along with shared agreement on both causes of variability and the best options for change.

Options were further evaluated to produce both timing and benefit delivery plans and to identify the inter-related work streams using a mix of Owen Mumford and Iter resources.

 **Iter Consulting 'rolled up their sleeves' to help us with detailed and technical work required to achieve the sustainable change.**

Paul Currah, Supply Chain Manager, Owen Mumford.

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● **Implementation**

The integrated project teams worked under Iter's overall programme management in the following inter-related workstreams:

Integrated Business Planning (IBP)

The team created the improved framework, the supply and demand analysis and the processes to ensure the required integrity and granularity in the sequence of IBP meetings. We clarified the standard agenda, forecast horizon, fixed period and how past performance was reviewed and the lessons learned. We coached the team and then acted as a "critical friend" in establishing IBP as central to the effective operation of Owen Mumford.

Inventory Optimisation

The inventory was statistically modelled at every national sales company and the UK based GDCs to optimise and integrate stock holding globally, align with the manufacturing lead-times, improve OTIF and standardise and simplify the replenishment process. OTIF levels circa 98% are now consistently achieved.

Manufacturing Planning and Operation

A host of improvements were made to simplify the planning processes, reduce the number of assembly changeovers, improve data accuracy and provide focussed KPIs to drive performance and provide early warning of issues.

● **Programme Results**

The work undertaken has been the catalyst for the transformation of the operational performance of Owen Mumford. This has delivered the almost total removal of backlog, re-establishment of trust between customer, market company and factory.

The transformation has reduced operating cost and working capital whilst providing an improved and more reliable service to all customers.



We have been delighted with the results achieved through working with Iter Consulting.

Paul Currah, Supply Chain Manager, Owen Mumford.