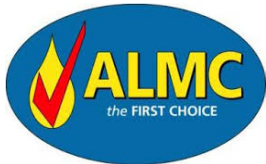


ALMC Spotswood – “Movers and Shakers”



Australasian Lubricants Manufacturing Company Pty Ltd (ALMC) is the largest manufacturer of lubricants in Australia. The

Spotswood site manufactures and distributes lubricants to the domestic market and felt they could better utilise an external storage pad with close proximity to their loading bay, known as Area 90.

A Cross-functional, Micro Focused Equipment and Process Improvement (FE&PI) Team was established with a mandate to:

- Reduce forklift movements across the site;
- Identify fast moving products and their locations;
- Allocate fast moving stock to Area 90; and
- Design new layout of Area 90.

A current state understanding was created. The team studied the number and current location of the highest selling 205L drum products on site. An analysis of Area 90 overflow movements throughout the past three months was conducted to understand exactly how many and to where, drums were being moved. An understanding of replenishment was created based on the sale ranking of the product.

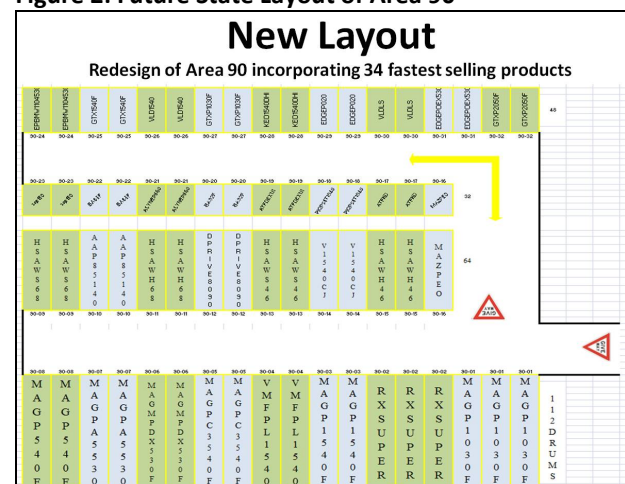
Figure 1: Pad 90 – Before



The team established exactly the number of pallet spaces they had available. They also wanted to establish FIFO lanes (First In, First Out), so that they could maintain stock rotation easily and minimise damage to stock.

A future state was created by reviewing the number of highest selling products and designing a layout that would also accommodate FIFO lanes for replenishment. This resulted in the following layout for 34 of their fastest selling products.

Figure 2: Future State Layout of Area 90



The team sought to understand and quantify the forklift movement savings that may result as a consequence of the proposed layout change. They timed the distance travelled by a forklift and concluded that over 6 minutes per movement could be eliminated resulting in a saving of approximately \$50,000 per year.

The “**Movers and Shakers**” Team sought permission and were given approval to proceed with the change. Significant effort was invested to empty and clean Area 90, as well as remove old lines and paint new ones. Products were moved into correct locations and SAP transactions were completed.

The team also sought to improve safety by having “Give Way” signs painted on the concrete and requested to have safety mirrors and safety

barriers installed. Bin numbering of FIFO lanes was also completed.

Figure 3: New Visual Controls: FIFO Lanes and Safety



Matthew Drenen, Finished Goods Stock Controller and Team Leader said, *“The team was new to the process and started slowly. We received good ideas from people and everyone on the team contributed. Some things came out that I’d never thought of. We finished up with a better design as a result of listening to everyone’s ideas. The changes were well received and have made product out (from production to the warehouse) much easier and longer forklift movements have all but disappeared”.*

When asked about the team’s performance, Matthew said, *“The team felt good. It felt like we’d made a difference”.*

Figure 4: Pad 90 – After



The **“Movers and Shakers”** team consisted of:

Team Leader: Matthew Drenen – Finished Goods Stock Controller

Team Members: Darren Gadsden – Warehouse Coordinator, Glenn Langdon – Warehouse Operator, Phil Stephenson – Production Operator / Blender, Dean Menhennet – Production Manager, and Adrian Farrugia – Production Planner.

Figure 5: Pad 90 – After



CTPM would like to congratulate all improvement team members of **“Movers and Shakers”** on an excellent effort and great results!

For further information please contact:



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