



Swedish Match

Doing more with less

Case Study
FMCG

The QDE-STEP programme that changed people and processes for better

Company Name: Swedish Match

Location: Sweden, US

Sector: FMCG

Function: Supply & Demand planning, Production

Business challenges: Maintain competitiveness in a toughening market by creating a sustainable step change in supply chain performance.

Consulting Services: Performance Improvement, Change Management

Capabilities: Asset Management, Integrated Supply Chain, Organizational Effectiveness.

Client Quote:
“This has been a lot of hard work and great results – well done. Now let’s focus on making this continue.”
VP, Global Supply Chain

Situation

Swedish Match is a global leader in smokeless tobacco, with other global brands including cigars and matches. Under pressure from big tobacco conglomerates looking to enter the market, tougher regulation and rising taxes on tobacco products worldwide, it needed to significantly improve its business practices by reducing costs and increasing performance and flexibility. With a proven expertise in delivering operational improvements, Celerant was brought in to support a complex Change Management programme.

Approach & Delivery

To deliver an holistic step change in performance and create the framework for continuous improvement, Celerant helped Swedish Match design and implement the QDE-STEP Programme (Quality, Delivery, Economics, Safety, Technology, Environment, Personnel).

Dedicated teams were established in: Manufacturing Excellence, Production Planning & Logistics, Industrialisation & development, Product quality, Safety & the environment, Procurement, Operational development, Communications and Common Management Systems... all working under a Programme Management Office led by Swedish Match and Celerant.

To deliver the hard financial results, Celerant focused on the Manufacturing

Excellence and Production Planning & Logistics teams, with cost and production and delivery targets under the most scrutiny. Robust capacity planning and production line improvements were made and lean manufacturing tools, “gemba waste walks” and visual area boards, were implemented to drive sustainability and continuous improvement.

Results

Results exceeded the plans set out at the beginning of the programme and validated by the plant controllers.

Direct manufacturing costs have been reduced by over 17 MSEK and overall production on all Swedish production lines has increased by 16%.

These substantial improvements have been acclaimed by the Executive Management and will be closely followed as the company broadens its global strategy.

Client Satisfaction

“These results enable us to drive change on a continuing basis. We have plans to continue improvements based on our new capabilities and future strategy. We have finished the programme, but are not stopping our ability and need to drive further change.” Top Management