

## Heinz Frozen Food Co.



### About the company.

Located in Pocatello, Idaho, Heinz Frozen Food Co. is a division of H.J. Heinz Co. LLP. Sharing the corporate Heinz passion for serving up good food, the frozen food division strives to provide delicious and nutritious products that consumers can easily make at home. It is one reason that the Heinz brand has become a staple in homes for nearly 140 years. The company is renowned for being one of the world's leading producers of healthy and convenient foods for every eating occasion.

Heinz Frozen Food Co. manufactures food products that include entrées, snacks, and desserts. With its location in Idaho, the division produces Ore-Ida® frozen potato varieties—french fries, hash browns, and mashed potatoes.

To learn more about Heinz Frozen Food Co., visit [www.heinz.com](http://www.heinz.com).

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MANAGER, HEINZ FROZEN FOOD CO.

## Setting the strategy.

When Heinz Frozen Food Co. set its sights on improving its manufacturing and maintenance process efficiency with leading-edge technology, the company knew that implementation of a new system would require a monumental change in culture for its employees. After careful analysis of several competitive applications, Heinz chose an enterprise asset management (EAM) application by Infor™ for several reasons. Milton Slagowski, maintenance manager at Heinz Frozen Food Co., explains, “It was not only a web-based enterprise system that met all of our maintenance functions, but, more importantly, it was the most cost-effective solution.”

As manufacturing and maintenance employees began using Infor EAM after implementation, the company gained better visibility into their processes and realized that more progressive lean manufacturing and lean maintenance practices would enable more significant efficiencies.

## Getting business specific.

Heinz Frozen Food Co. began incorporating lean manufacturing and maintenance practices that brought improved results in a short time. “We started to identify maintenance waste elements—those that didn’t add value—and to use Infor EAM as it was meant to be used: in concert with lean manufacturing and lean maintenance,” says Slagowski. “And we started to understand change enablers such as awareness of what needs to change, understanding of our goals and objectives, and engagement by everyone from top management to those performing the tasks.”

Once all of the change enablers aligned to achieve the targeted results, the company began realizing efficiency improvements. “What we learned was that lean practices are instrumental in implementing an EAM application to achieve excellent results quickly and cost-effectively,” Slagowski emphasizes, “and that asset reliability is a key tool for successful lean manufacturing operations. They have a mutual relationship. And Infor helped us understand the process to achieve our goals and get consistent results.”

## Seeing results.

Through Infor EAM’s built-in configurability, Heinz was able to continuously adapt the system and incorporate lean maintenance processes in a timely and cost-effective manner. As Heinz began removing common maintenance waste from the process, it began an integrated approach to designing and improving manufacturing and maintenance work toward the ideal internal customer-focused state. “As a tactical approach, we looked for everyone’s input with an emphasis on quality and safety the first time, and incorporated lean practices as a comprehensive business strategy,” says Slagowski. “We saw lean maintenance as the way to preserve assets in good operating condition and improve reliability in both the short term and the long term.”

The primary lean tools that the company adopted were Infor EAM, maintenance planning, preventive maintenance, total productive maintenance, reliability-centered maintenance, and reliability engineering to eliminate failures. Other lean tools it used were 5S, to keep things in order; 5 Whys, to ensure ease of use; Kanban, to provide a visual representation of progress in the work cycle; Hansei, to enable reflection upon errors and correction of them; Genshi Genbushu, to allow seeing the work to spark ideas on how to improve; and Kaizen, to review four-hour progressive manufacturing tasks to

### facts at a glance

- > company .....Heinz Frozen Food Co.
- > Infor solution .....EAM
- > industry.....Food & Beverage
- > revenue.....US \$2.41 billion
- > employees.....820 (32,500 worldwide)
- > country.....USA

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eliminate waste. Slagowski notes, “We used Infor EAM features such as KPI (key performance indicator) inboxes and reports to see our hours worked per month, rework hours, overdue PMs, and planned-hour ratios. Then we tweaked our processes to achieve our efficiency goals.

“Reactive maintenance amounts to tremendous waste, whereas planned maintenance enables 30% more actual work to be completed. Using Infor EAM and lean practices, we can verify that working out a maintenance plan ahead of time saves three to five times the total time invested.”

Additional and unnecessary maintenance time also translates to astronomical cost increases. Adds Slagowski, “Reactive maintenance costs \$400 per hour, and corrective action costs \$200 per hour. But with planned maintenance in which we incorporate lean practices with Infor EAM, the cost is only \$75 per hour. Infor EAM is designed to enable changes that will upgrade with new releases, saving IT costs.”

New maintenance practices that resulted in culture changes at Heinz proved positive in many ways. “Our maintenance planners now interact with our maintenance-performing professionals,” says Slagowski. “Together we’ve documented and sustained best practices and gained employee involvement and communication with the aim to help each other reach common goals. We all feel like we have a vested interest. These are all important ingredients to sustaining success in any operation.”

Heinz has claimed considerable gains in process efficiency. “Following our use of Infor EAM and lean practices, we’ve realized 10% to 11% efficiency improvements, and our maintenance costs have dropped by 5% to 10%,” notes Slagowski. “Efficiency has grown in various areas, such as work done by technicians, who don’t need to hunt for parts because they’re kitted, and in maintenance stores and production. We’ve also reached world-class levels of maintenance inventory management: 1% of estimated replacement value.”

On its journey to optimally streamline its manufacturing and maintenance processes toward its production-focused ideal state, Heinz embraces continuous improvement. “Time invested in planning with EAM, lean maintenance practices, and a focus on continuous improvement more than pays for itself. We had to adapt our operations and systems to reach our short- and long-term goals, and Infor

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EAM’s agility and built-in best practices guided us in the process. We now get optimum life out of our profit-making and profit-supporting assets.”

In summary, Infor EAM has helped Heinz Frozen Food Co. to gain:

- 10% to 11% efficiency improvements in areas such as maintenance stores and production
- 5% to 10% reductions in maintenance costs
- World-class levels of maintenance inventory management: 1% of estimated replacement value
- Low total cost of ownership

## Doing business better.

Heinz Frozen Food Co. affirms that its future will remain with Infor. Slagowski declares, “Repeatable success is a lean activity, and continuous improvement with lean principles creates the opportunity to stay ahead of the competition. We believe Infor understands and follows these principles, which is why we’ll continue to rely on Infor for our future technology needs.”

## About Infor.

Infor acquires and develops functionally rich software backed by thousands of domain experts and then makes it better through continuous innovation, faster implementation options, global enablement, and flexible buying options. In a few short years, Infor has become one of the largest providers of business software in the world. For additional information, visit [www.infor.com](http://www.infor.com).

## Customer Profile

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