

Raising the Bar at Shorewood Packaging

Shoplogix Increases Productivity 3.5 Times Beyond Expectations

CASE STUDY

INTERNATIONAL PAPER

Shorewood Packaging is a business of International Paper, the world's largest paper and forest products company. Businesses include paper, packaging, and forest products. Headquartered in the United States, International Paper has operations in over 40 countries and sells its products in more than 120 nations.

Shorewood Packaging has 3 plants in Ontario, and is one of the world's leading manufacturers of premium packaging. Many of the world's premier consumer products manufacturers depend on Shorewood Packaging's innovation, advanced technology, world-class quality and service to enhance the image of their brands.

BUSINESS GOAL

Shorewood Packaging wanted to improve efficiency on the shop floor, and engage their employees in the process.

SOLUTION

First, Shorewood Packaging provided shop employees with information that related their performance to the profit or loss on any given project. Machine operators also receive job information that details estimated make-ready time, job run time, and specifies the quantity of product to be produced. Armed with this information and the real-time performance information that Plantnode feeds to the marquees at the machine, operators are finding ways to improve their efficiency. The net result is improved efficiency and reduced costs.

THE CHALLENGE

Shorewood was able to identify machines that were ahead or behind in productivity but the numbers lacked granularity. Shorewood needed to find a way to provide more job specific information to machine operators, and give them the ability to set efficiency goals and affect change on a real-time basis.

PLANTNODE DELIVERS INTELLIGENT MANAGEMENT OF SHOP FLOOR DATA

Shoplogix Plantnode is an intelligent performance management system designed to increase operational efficiency, improve quality, and drive higher levels of performance in discrete manufacturing environments.

Shorewood Packaging Realizes Significant Bottom Line Results

Plantnode has proven effective in improving Overall Equipment Effectiveness (OEE), predictive and preventive maintenance, and quality initiatives across all industries. The Shoplogix Plantnode solution was integrated with printing presses from Heidelberg, the world's leading solution provider for commercial and industrial customers in the print media industry.

Plantnode leveraged the company's existing investment in equipment and business systems to enable operational visibility and real-time information flow that is fast enough to be actionable, with the accuracy and reliability to facilitate strategic planning and tactical execution.

BOTTOM LINE RESULTS

At the Shorewood Packaging Midland Avenue facility in Toronto, real-time information is helping to yield world-class results. By implementing the Plantnode solution by Shoplogix, Shorewood Packaging is able to capture real-time machine productivity information, helping improve performance, and contributing directly to the bottom line.

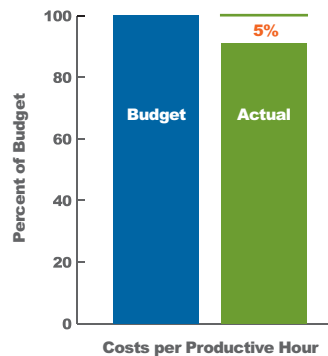
Originally, Shorewood Packaging was looking for a device to feed visual LED display marquees connected to their equipment that would identify machine status, in an attempt to increase efficiency. They chose Plantnode based on recommendations from Shoplogix customers, and piloted on four packaging lines.

Shorewood realized significant bottom line results:

- Costs per productive hour are 5% below budget.
- Year to date, the facility is performing 3.5 times better than expectations.

Shorewood Under Budget

Source: Shorewood Packaging 2005



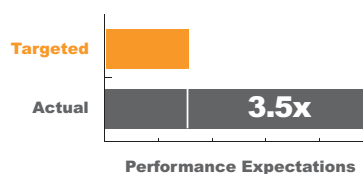
Shorewood costs per productive hour are 5% below budgeted estimates after Plantnode was implemented.

EXCEEDING EXPECTATIONS

Shorewood Packaging realized that the speed and accuracy with which data was acquired only scratched the surface of Plantnode's capabilities. Evaluating key performance metrics such as run time and make-ready time, in order to improve efficiency was only the beginning. As a result, they implemented Plantnode on all machines in the Midland plant.

Beyond Expectations

Source: Shorewood Packaging 2005



Performance at the Shorewood facility was 3.5 times better than expected with a Shoplogix Plantnode solution.

The company translated key performance metrics into dollar terms, to help machine operators understand the impact they could

have on the profit or loss of any given job. Now, employees can access information on estimated make-ready time, job run time, and quantity to run; and compare these job estimates to dynamically updated performance information on their machine and shift. Armed with this information, they can take steps to improve their performance.

Rules of Engagement

Source: Shorewood Packaging 2005



Taking productivity and performance improvements to new heights through employee engagement with Shoplogix.

Neil Pierobon, Engineering Maintenance Manager, says, "Tying our performance metrics to the bottom line has increased systematic thinking on the shop floor, sponsored a culture of continuous improvement, empowered our employees, and fully engaged them in their work."

Mr. Pierobon adds that they're investigating using Plantnode to help with the maintenance of all process controls to ensure maximum productivity and product quality.



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