

PMMAI Workshop

July 15, 2015

PMMAI – Workshop on 15th July at Ahmedabad

- Quality and Aesthetics to World Class Standards
- Develop Export Potential
- Common Buying

SWOT – Indian Manufacturers

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- Ability to customise
- Recent new investments into new factories and new machining equipment
- Clear leadership vision to enhance our operations, and start driving towards Operational Excellence (OE)
- Availability of Technically competent manpower

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- **Aesthetical Quality and Reliability of global standards**
- Absence of common manufacturing systems and Industrial Engineering resources
- Absence of Lean layouts
- Old machining equipment with low process capability and repeatability
- Lack of Lean foundations: Standardization, 5s, etc.
- No common training methodology

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- **Huge Opportunity for Exports**
- **Collaborative Buying**
- Significant waste elimination, lead time reduction, and productivity improvement
- Set new standards for vendor Development
- Initiate Lean transformations - Lean roadmaps
- Drive training aligned with principles of OE

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- Investments into both modern equipment and operations skills
- Global competitors increasing from China etc (Low Cost) to High Quality/Performance Japanese



Global Competition!!!!

We need to compete and win with products from Europe, Japan, Taiwan ...



JSW



Engel



Mitsubishi



Fanuc



Toyo



Victor



Year-Chance



Hwa Chin



CLF



We Shape Plastics...

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What we need to Focus on...

- Manufacturing Facilities
- R&D Facilities
- Quality Vendors
- Strong Processes
- People Focus
- Training for Continuous Improvements
- Product Validations/Beta Testing
- Documentations

Processes

- Cellular Layouts
- 5S
- SOP
- Lean - Kaizens
- TPM
- 8D
- Safety

Cellular Layouts



Flow Manufacturing



Export Potential

India has good potential for Export of Plastics machinery in global market.

Potential Markets: USA, Europe, Middle East, Africa, South East Asia

Machinery from India needs to improve on,

1. **Quality & Reliability:** No failures for 2-3 years
2. **Aesthetics similar to Imported machine**
3. **Safety:** meeting safety norms such as USA (SPE) & Europe (CE)
4. **Lead Time & Delivery:** Faster Deliveries
5. **Cost & Price:** Able to compete Chinese, Taiwan & Korean machines

Export Potential

Government Policy Support

- Addition of Plastics Machinery in Focus Product Group
- Extending focus Country scheme for Sales in USA, Brazil, Russia...
- Reduce Customs duty on technology part imports
- Increase Duty Drawback to 4 % for Export of Plastics machinery

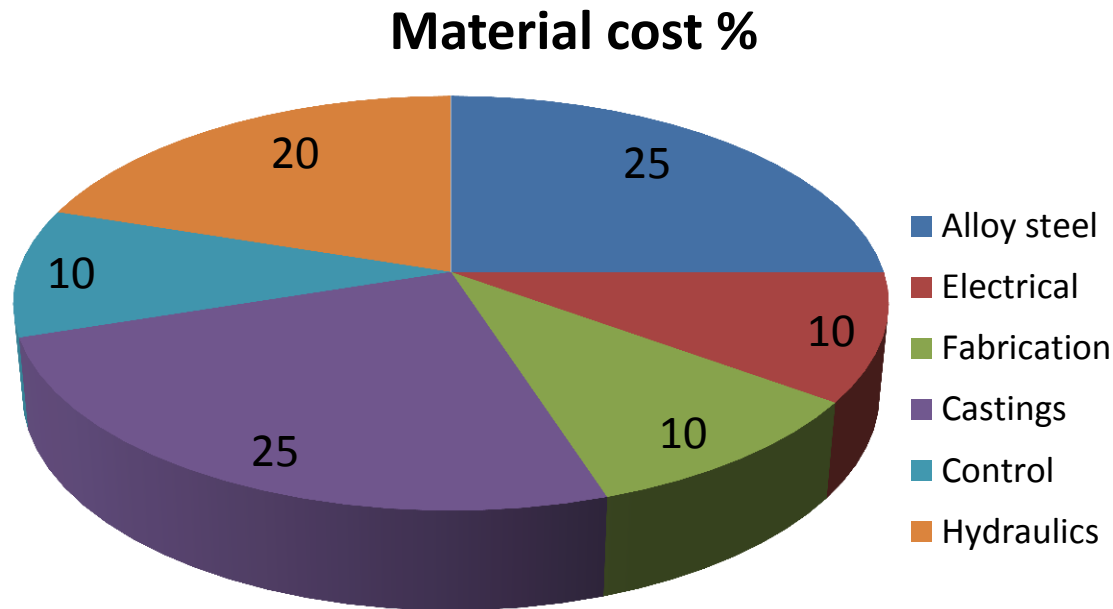
Benefit:

- Creating Brand India Image in Global Market
- Earning Foreign Exchange for the country
- Access to Global Market – Volume increase

Collaborative Buying

Collaborative buying

Typical machine cost composition



Collaborative buying

Proposed: collaborative approach

1. Form team of buyers for common buy program (from various organizations)
2. List of major suppliers to be talked to
3. List requirements
4. Target cost identification
5. Finalizing of contracts
6. Utilize reverse auctions for transparency
7. Start with low technology volume parts

Collaborative buying

Proposed areas

1. Cables

2. Alloy Steel En 19, 41B,c 45

3. CR HR Sheets

4. SG Iron Castings

5. Hydraulic Oil

Collaborative buying

Review: Quarterly review by the Com-Buy team for actions

Review matrix consists of :

1. Progress on parts where collaborative buying has started off
2. Raw material price trends and strategies
3. Dealing with price increase requests if any
4. Other information sharing

Other areas of collaboration

Utilize “Lean manufacturing awareness scheme “sponsored by National Productivity Council for MSMEs.

Here NPC undertakes to offer a panel of Lean consultants approved by them who will hand hold the MSME group for a period of 18 months in the Learning and implementation process.

80% of the fee is paid by NPC