

Committing to a High Performance Culture at Snyder's-Lance

IF YOU SUPPLY THE SUPPLY CHAIN,
YOU BELONG AT MODEX.

The greatest supply chain show on earth.



Presented by:

Brian Dubak
Regional S&D,
Snyder's-Lance

Mike Jevince
Vice President of Sales, TZA

Our Agenda

- Introductions
- Snyder's-Lance Operations
- Challenges
- Labor Management Program
- Facility Redesign
- Results
- Lessons Learned
- Next Steps



Introducing TZA

We enable clients to improve workforce and operational performance, reduce costs and drive continuous improvement across their supply chain



Market Leader

TZA has been at the forefront of supply chain improvement for 30 years



Customer Focused

70% of our business is from existing clients



Experienced

TZA team leaders average 20+ years of supply chain knowledge



Results Oriented

TZA delivers productivity improvements and bottom-line savings in every project



Introducing Snyder's-Lance

- Creates and markets snack foods globally
- Snack pantry includes pretzels, sandwich crackers, potato chips, cookies, tortilla chips, restaurant-style crackers, nuts and more
- Production facilities in 9 states
- Distributed through grocery, mass merchandisers, club stores, convenience stores, club stores and service outlets



Operational Overview

- Charlotte, NC warehouse
- Full pallet and case pick order selection
- 254,000 square feet
- Over 25 million cases shipped per year
- 100+ associates
- Labor Cost / Case = \$0.17



Operational Challenges

- Equitable work system
- Business performance consistency
- Reduce operating cost
- Optimize layout
- Create an onboarding process
- Build a continuous improvement culture



Addressing the Challenges

- Create a high performance workforce in a high performance environment
 - Lean Event
 - Case Pick Facility Redesign
 - Labor Management Program & Technology
 - Pay for Performance (long term)



Labor Management Program Components



Labor Management Software

Dynamic Standards
Labor Planning
Learning Curves
Incentives
Corrective Action
Alerting
Coaching
Ad Hoc Reporting
Business Intelligence
Mobile



Engineering

Lean Best Practices & SOPs



Engineered Labor Standards



Performance Management

Change Management



Leadership Development



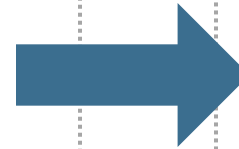
Continuous Improvement Programs



Implementing Labor Management

Team-based Lean Best Practices Event

- Workflow current processes
- Identify operational waste
- Label value-added and non value-added
- Perform root cause analysis



Standard
Operating
Procedures
(SOPs)



Implementing Labor Management

Lean Best Practices Event

Standard Operating Procedures

Performance Metrics

Labor Management Software

Observation Forms

Utilization Model

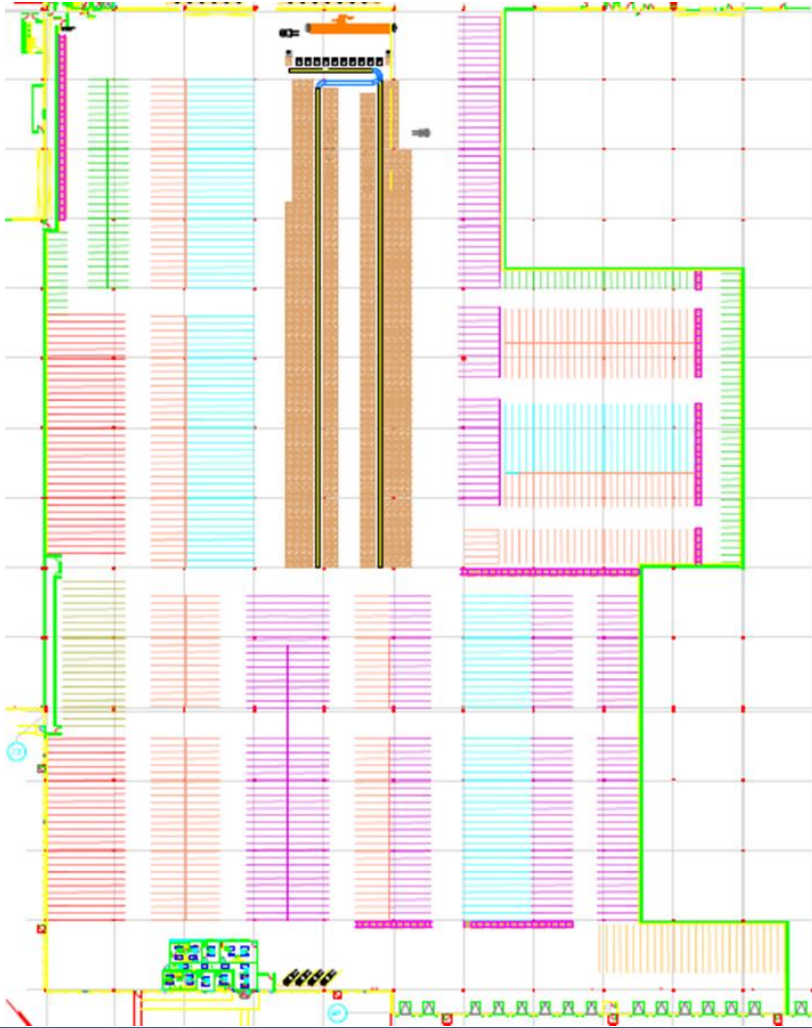
Labor Management Program Training

Performance Management

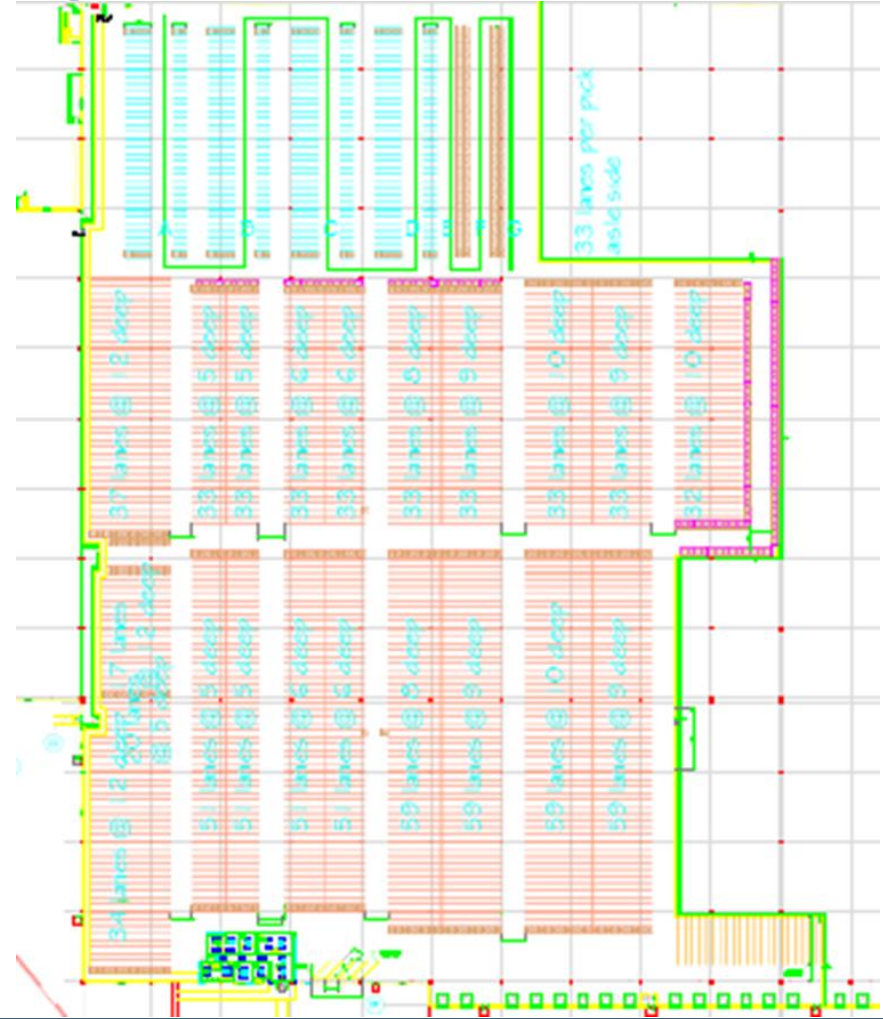


Case Pick Redesign

BEFORE



AFTER



Results



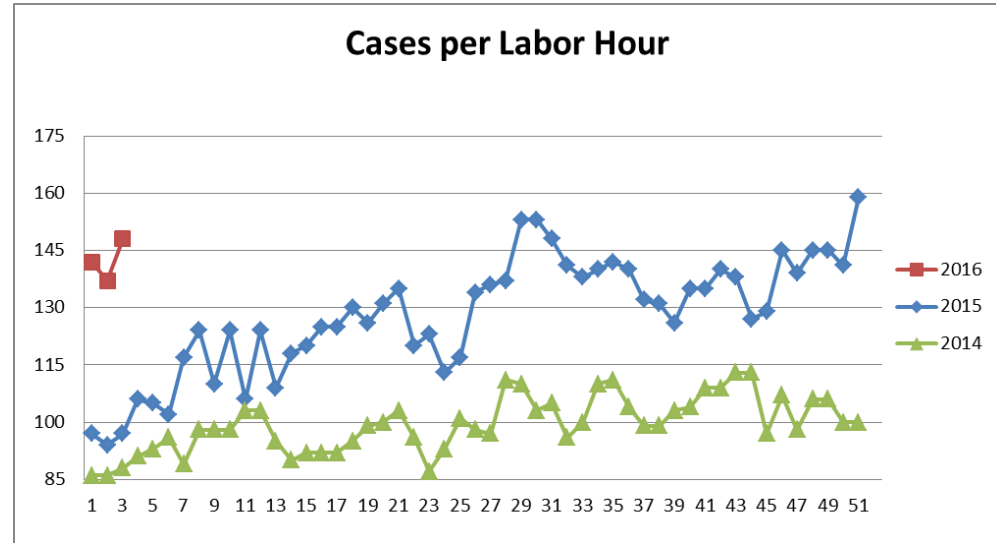
Original Proposal

- Conservative \$355,000
- Potential \$650,000



Our Results

- \$595,000 in labor savings
- 950,000 more cases shipped than the previous year
- Labor Cost / Case = \$0.09
- More consistent results day-to-day staying ahead of our shipping schedule
- Employees were part of the solution, so they helped sell the need for change



Lessons Learned

- 1 Leverage your employees to be part of all steps of the process
- 2 For maximum benefit, you need to lean out the layout / processes as much as possible up front
- 3 Standards can and will evolve overtime
- 4 Developing labor standards will exponentially grow to standards in all aspects of the business (outside of the warehouse)



Next Steps

Successfully launching LMP for two additional facilities in 2016

Building plans for other functional groups in the near future

Identifying our next warehouses to implement outside of initial 3



For More Information:

Brian Dubak: bdubak@snyderslance.com

Website: www.snyderslance.com

Mike Jevince: mjevince@tza.com

Website: www.tza.com

Or visit MODEX 2016 Booth 2635

