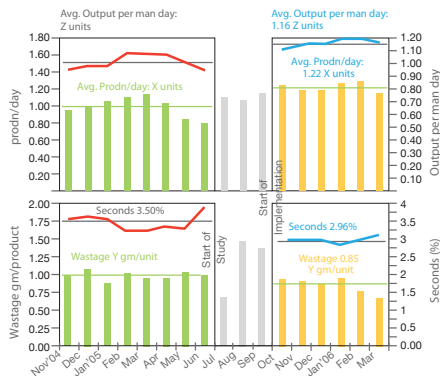


Increased Productivity & improved Quality from existing plant led to higher sales & profit

In 2005, a leading bicycle tubes manufacturer in North India experienced sharp rise in demand for its products, with the dealers wanting 10 to 15% additional supplies. But, it could neither raise production, nor install more machines because there was no free space in the plant. Also, capacity addition would take time & it would be risky to ignore dealers' demand for that long. Moreover, capacity of extra production line would exceed expected demand - leading to under utilisation & hence higher cost per unit.

Company's management, thus, faced a dilemma of either losing sales or making large capital investment and keeping capacity underutilised with consequential drop in profitability.



Using Industrial Engineering tools & techniques e.g. Work measurement using Video Camera, Micro Motion Analysis, Methods Engineering, Plant & Workplace layout design, work methods & practices were improved substantially, with changes made in equipment & workplace layout. Production Norms & Output Standards were established & implemented.

Monthly production increased by 22% with 16% more Output per man day.

Process Capability studies and Failure Mode & Effect Analysis (FMEA) were used to address Quality issues, which led to **15% drop in Rubber Wastage, and one sixth lesser "Seconds"** Quality products generated.

Productivity & Quality improvements helped company produce more from same assets at lower cost per unit to meet surging demand, without investing large capital, which increased sales & profit.