

Steel Tube Manufacturer

Case Study



Quick Facts

- ERW & CDW Steel Tube Manufacturer 200+ employees including contract labour
- B2B industrial product with standard customers and make to stock production
- Operations involving tube mill, tube drawing, cutting and packing with semi-automatic and manual machines

Key Challenges

- Under-utilisation of high value asset capacities
- Higher work-in-process inventory at certain workstations
- Stock-out of certain product variants and excess inventory of others
- Sub-contracting of intermediate operations

Strategic, Financial & Operational Benefits

- Improved mill layout and 15% reduced material flow during work-in-process
- Optimised product mix resulting in 10% less inventory and less stock-outs
- Standardisation of Cut-to-size tubes for waste reduction, storage and transportation