

ARC ADVISORY GROUP STUDY

Packaging Ops leave room for improvement

Today's leading packaging operations are helping manufacturers reduce working capital, lower inventory, quicken replenishment, and improve asset utilization.

According to a recent best practice study by ARC Advisory Group, more than 80 percent of survey respondents say they are less than satisfied with their packaging operation's ability to help them meet their business objectives and customer requirements. They say this is due to insufficient online quality assurance technology on packaging lines, little automation to provide operation performance management/maintenance management, and little integration with other manufacturing and business systems.

According to John Blanchard, principal analyst and a lead author of ARC's "Best Practices in Packaging Operations," the efficiency of a packaging operation can be measured by means of four key metrics. "The four areas are the amount of unscheduled downtime due to normal and abnormal operation; the percentage of packaging lines that measure Overall Equipment Effectiveness (OEE); the level of continuous online quality assurance on their packaging lines; and the level of integration of their packaging lines with other operations such as production management, order processing, billing, warehousing, and shipping."

ARC observes that most manufacturers' packaging machines remain islands of automation with limited online diagnostics, limited access to machine status and performance information, limited flexibility to meet changing product needs, and limited connectivity to other machines on the line. In general, packaging operations are not as well automated or integrated with other manufacturing operations as processing, supply chain, and business systems are today.

For more information on the ARC study, contact ARC at info@arcweb.com.

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