

DCI CHEESE COMPANY CASE STUDY

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WITH A COMPREHENSIVE ROAD MAP AS ITS GUIDE, DCI CHEESE COMPANY SETS A COURSE FOR BETTER PROFITABILITY AND PERFORMANCE.

Growth and a change in strategy put pressure on DCI Cheese Company's operations. To improve control over its business and operate in a proactive, rather than reactive, manner, the company turned to West Monroe Partners. Using a proven approach to analyze and evaluate DCI Cheese Company's environment, West Monroe Partners produced a comprehensive road map for change.

DCI CHEESE COMPANY

DCI Cheese Company is the supplier behind a vast array of exciting and flavorful cheeses in today's deli aisle and innovates in a variety of ways:

- ◆ Offering an impressive portfolio of more than 20 distinctive company-owned cheese brands.
- ◆ Creating opportunities in the organic cheese category.
- ◆ Customizing cheese programs for food retailers. Handcrafting high-quality American made specialty cheese and sourcing adventurous imports.

Nestled in the heart of America's Dairyland for more than 30 years, the Richfield, Wisconsin-based DCI Cheese Company brings global perspective and depth of experience to the industry and to its customers.

CREATING PRODUCTIVE, PROACTIVE OPERATIONS.

Over time, DCI Cheese Company has grown through acquisitions. The acquisition of its Mayville facility, however, posed particular challenges to the company's profitability. At the same time, the company attempted to complete a shift from make-to-order operations to a hybrid (make-to-order and make-to-stock) strategy. These changes put significant pressure on the company's operations—its management team found that it lacked the ability to:

- ◆ Monitor key aspects of the company's supply chain.
- ◆ Control execution of demand.
- ◆ Forecast inventory accurately.
- ◆ Expedite orders where needed.
- ◆ Document and manage key processes.

DCI Cheese Company sought a way to stabilize and take control of its operations—in particular, by:

- ◆ Improving visibility.
- ◆ Shifting from reactive to proactive mode.
- ◆ Improving production efficiency.

AN EXPERIENCED PARTNER.

For assistance in turning around its operations, DCI Cheese Company turned to West Monroe Partners. West Monroe Partners supplied a team capable of addressing both supply chain and IT challenges, with expertise in:

- ◆ Business strategy
- ◆ Supply chain planning, including demand, capacity, scheduling, and replenishment planning
- ◆ Supply chain execution, including warehouse operations, design, and logistics
- ◆ Key information technologies, including enterprise resource planning (ERP) systems, warehouse management systems, and demand planning systems

West Monroe Partners utilized a proven approach to analyze and understand DCI Cheese Company's environment and then recommend areas for improvement.

Key steps included:

- ◆ Reviewing all functions within the company's Green Bay site. These included order processing, procurement, warehouse processes, demand planning, production, capacity planning, and scheduling functions.
- ◆ Answering more than 1,000 questions with respect to these areas and then conducting a gap analysis.
- ◆ Conducting interviews with key stakeholders.
- ◆ Conducting quantitative analyses to transform the company's qualitative symptoms into robust quantitative numbers.
- ◆ Identifying various operational improvement opportunities.
- ◆ Classifying opportunities into two groups: quick hits, and longer-term projects.
- ◆ Creating a road map for executing the various projects
- ◆ Building a business case for each project, including cost-benefit analyses and return-on-investment expectations.



ENTERPRISE & SUPPLY CHAIN SOLUTIONS

FROM THOROUGH ANALYSIS TO A PRACTICAL PLAN.

West Monroe Partners' approach focused on defining the company's "as-is" situation, identifying root causes of issues, and providing a global perspective of the issues involved. By combining strategic, tactical, and operational points of view, the project team was able to offer practical recommendations for improving key operational areas, including:

Control Execution and Visibility

- ◆ Visibility of demand
- ◆ Visibility of inventory
- ◆ Visibility of the flow of transactions
- ◆ Control over the operations
- ◆ Shift from a reactive mode to a proactive mode

Optimization (Tactical and Operational)

- ◆ Optimize the planning of operations
- ◆ Optimize the execution of operations
- ◆ Identify and track sources of waste
- ◆ Reduce waste

Strategic Planning

- ◆ Integrate capacity planning and long-term planning with sale strategies
- ◆ Understand capacity constraints
- ◆ Break capacity constraints
- ◆ Identify and track sources of waste
- ◆ Reduce waste

Dynamic Knowledge Base

- ◆ Capture all sources of information and structure them to make better business decisions
- ◆ Enable the organization to be more agile and flexible
- ◆ Continue to track waste

ON A COURSE FOR BETTER PERFORMANCE.

Through in-depth analyses and creation of a comprehensive implementation road map, West Monroe Partners has helped set DCI Cheese Company on a course for greater efficiency, productivity, and growth.

When fully implemented, the recommendations are expected to produce substantial benefits:

- ◆ A mix of cost savings and productivity gains that could amount to more than \$13 million over several years.
- ◆ An increase in production efficiency from 50 percent to 75 percent.
- ◆ Elimination of substantial paperwork.
- ◆ A 90-percent reduction in order-processing delays.
- ◆ Reduced manufacturing lead times through better visibility of inventory and fewer production set ups.
- ◆ Increased customer fill rates
- ◆ A reduction in expedited orders and back orders

More significantly, these changes can produce a meaningful and positive shift in company culture—engaging its managers and staff to think and act proactively, rather than reactively.

West Monroe Partners is an international, full-service business and technology consulting firm focused on guiding organizations through projects that fundamentally transform their business. With the experience to create the most ambitious visions as well as the skills to implement the smallest details of our clients' most critical projects, West Monroe Partners is a proven provider of growth and efficiency to large enterprises, as well as more nimble middle-market organizations. Our more than 300 consulting professionals drive better business results by harnessing our collective experience across a range of industries, serving clients out of offices across the United States and Canada.