

Tamar Foods wins Best Factory Awards 2010 in conjunction with Cranfield Institute for Best Household & General Products plant.

17/09/2010

This go-ahead savoury pastry and desserts maker has probably graced all our meal times, and now the company can deservedly dine out on its success. A bakery that really knows its onions.



While Tamar Foods may not be an instantly recognisable brand, its products feature heavily in supermarkets up and down the land. Tamar, which is part of the Samworth Brothers group of companies, spun out of the Ginsters business in 1999 and today claims to be the UK's largest hot pie manufacturer, the country's most efficient sausage roll producer and a centre of excellence for pastry. It also makes pasties, lattice bars, slices and wraps, as well as a selection of hot and cold desserts, to offer around 160 product lines in total.

One of Tamar's historic challenges is the seasonal nature of its business – hot savouries sell better in winter, and Christmas provides a huge boom in sausage roll sales. Supermarket promotions also have a massive effect on production quantities.

To offer the production agility needed to cope with these variables, tremendous strides have been made in the past four years, a period that has seen turnover climb by an impressive 75%. Case numbers delivered per week have also risen 29% since 2008, while sales growth has increased for the past 10 years in a row.

While the company's lean manufacturing mindset offers an integrated single piece/continuous flow operation, the requirement for manufacturing agility means the two main production lines flex over a 24-hour period. In fact, Tamar uses 'flip-flop' ideology whereby one team hops across both lines. Two team members will undertake set-up duties and when ready, the entire team moves across, hence technically speaking there is no downtime for product changeover.

Interestingly, agency workers are thin on the ground – the company only used 27 per week on average last year among a total workforce of around 600. Tamar says this figure is far lower than its competitors and that it prefers to train permanent staff to embrace a flexible working culture.

And it appears to be working. Around 130 employees have more than 10 years' service and Tamar has held Investors in People accreditation for the past 10 years – in fact there has not been a single employee grievance in the past two years. Furthermore the company says it is delivering sector-leading annual injury incident rates and had only two reportable accidents in 2009.

People are central to the company's success. Employees are actively involved in problem solving, with continuous improvement project teams launched in January 2008 tasked with improving the business from the bottom up. Tamar also introduced special action teams in 2007 with the aim of implementing 'top down' step change activities, a strategy it name-checks as a big change in the company's evolution.

Action teams comprise multi-discipline members and a team sponsor. Project length is typically around three months, with team presentations to management at midway and end of project. Since commencement, 25 teams run with over 100 individuals have helped boost turnover by 50% and profitability by a factor of three. Around 50 extra jobs have also been created.

There is no doubting workforce dedication at Tamar Foods, where employees are

prepared to help the company gain market share through innovation and hard work which leads ultimately to competitively priced products. But cost isn't everything.

"Our order winning criteria is not price, there will always be someone cheaper – it's about adding value in terms of service, understanding and quality. We use 100% British meat and 25% of ingredients are sourced locally," states the company's managing director Wayne Day. "Good service to us means OTIF delivery to depot, which currently stands at 99.3%. This is essential as we have no written contracts with our customers and we only have the business until the next tender."

Production planning at Tamar is challenging to say the least. The company receives a provisional order at 07:00, with a final confirmed order at 18:00. Departures are scheduled from 13:00 through to 07:30 the following day. Sometimes the difference between the two orders can be up to 20%, so Tamar carries a stock contingency to cover the balance. A weekly forecast review adjusts volumes accordingly, with all information imparted to stakeholders.

Green initiatives at this ISO14001-accredited company are also impressive. A recently implemented sub-metering programme identified areas worthy of attention, and as a result, 2009 delivered a 10% reduction in water usage despite rapid escalation in production output, and a 4% reduction in electricity consumption. Elsewhere at the site there has been a 35% reduction in cardboard use, while 72% of all factory waste is now recycled. In total, the Callington facility delivered a 4% reduction in CO2 emissions in 2009 over the previous 12 months.

Arguably the most impressive impending project is called 'waste to energy'. This will see food and non-recyclable packaging waste loaded into dryers, where it will be abrasively dried to leave a highly prepared biomass fuel. This will be fed through a purpose-designed combustion system that generates enough steam to drive a turbine and generate electricity.

Tamar Foods never feels it has bitten off more than it can chew. In fact, it has a real appetite for continuous improvement. A point ably demonstrated and justly rewarded.

This article is reproduced with the permission of Works Management www.worksmanagement.co.uk and the Cranfield School of Management