



ROI Benchmark Project: Global Footprint & OPEX

From Initial Idea to Profitable Operations in Only Two Years: Automotive supplier Carcoustics sets standards with new factory in Slovakia

Munich, November 5, 2014 – Carcoustics is continuing to expand its global manufacturing structure and has put a new plant for polyurethane (PUR) molded foam parts into operation in Novaky. The company is thereby setting a benchmark, since Carcoustics only needed two years from initial location planning until the efficient manufacturing plant, which is fully integrated into the supplier network, was put into operation. The company, which specializes in acoustic and thermal industrial solutions, was assisted by ROI Management Consulting AG.

Carcoustics took the decision to construct a new factory to manufacture heatshields, PU foams and molded foam parts in Eastern Europe not just because of its proximity to the manufacturing sites of its customers in the automotive industry. The step was also intended to expand the company's presence in a strategically important growth market. The company specified an extremely tight time frame for the project in order to keep pace with the dynamic momentum of the market – a site for the new factory had to be found, the factory had to be constructed and made to operate profitably within the space of just two years. The target size of the plant was around 200 employees over an area of approximately 10,000 m².

The special challenge of the project, which was extensively supported by a team from ROI Management Consulting AG from the very beginning, was, first in identifying a suitable location from more than 100 potential sites in four countries. Second, Carcoustics needed a model with which the area could be gradually extended to match the manufactured volumes in order to optimize the costs of operating the factory.

All the project steps had to be synchronized like clockwork in order to meet the ambitious schedule – this required a high level of process-related and technical expertise, outstanding project management and comprehensive knowledge of the market. "Using the methods and benchmarks provided by ROI as a base, we were able to find the site in Novaky, develop it and start the successive relocation of manufactured parts from other sites in just six months," says Thomas Mair, Divisional Director at Carcoustics, who was responsible for the project.





"At the same time, we also used the setting up of the new plant to fundamentally realign and optimize our production processes in accordance with lean manufacturing principles." The switch to manual production and a 40 per cent reduction in cycle times played a significant role in this. ROI's extensive experience in lean projects ensured that the changed processes and structures worked effectively from the word go: "After less than one year we were already able to supply OEMs and tier 1 automotive manufacturers wit heatshields from Novaky. The flexible molded foam systems are the perfect material for the car industry to improve thermal insulation or to reduce noise without increasing weight by any significant degree," Mair explains.

"Industrial companies, particularly in the automotive sector, are nowadays forced to organize their international footprints significantly faster and more flexibly than five years ago. Otherwise they cannot respond appropriately to their customers' expectations and global competitive pressures," says ROI Management Board member Hans-Georg Scheibe. "The real accomplishment in all this is to use such projects to extensively optimize processes, too. When that succeeds, operational excellence is combined with a sustainable and forward-looking location strategy. For that reason, Carcoustics has been able to establish a cross-sector benchmark with its factory in Novaky."

About ROI:

With over 1,000 successful projects, ROI Management Consulting AG is one of the leading consulting companies for global footprint design, development and production. ROI helps industrial companies to optimize products, processes, technologies and global production networks in accordance with lean management and operational excellence principles and to adapt to changing market, customer and technology demands. As initiator and co-organiser of the Industry 4.0 Awards, which were first presented in 2013, ROI actively promotes the development of technological innovation in Germany.

ROI has won several prestigious prizes and awards for its highly implementation-oriented projects. The company has more than 100 employees at its locations in Munich, Beijing, Prague, Vienna and Zurich and is represented by partner offices in Italy, France, United Kingdom, Thailand and the USA. <u>www.roi.de</u>

About Carcoustics:

Carcoustics is an innovative medium-sized company on an international growth path that is headquartered in Leverkusen. The company develops and manufactures solution-oriented acoustic and thermal components for the car industry. In addition, Carcoustics also successfully supplies its broad range and expertise in various technologies and the resultant products to other industries. Customized solutions make up the core of the product portfolio. Products are used around the world, for example in the car and commercial vehicle industry, in household appliances, in plant construction and engineering, agricultural machinery, heating and air-conditioning technology and in railway vehicles.

Carcoustics employs around 1,500 people at 11 locations around the world. Annual sales totaled approximately EUR 250 million 2013 and are growing dynamically. <u>www.carcoustics.de</u>

You can find more on the subject of global footprint by following this link.

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