



Examples Of Recent Cost Reduction Projects



- **Oilfield Company:**

\$750k US saving on \$24m revenue - 3.1%.

Savings were gained via six separate projects which included process re-engineering and product redesign. Current target is additional \$1m - 4.1% of revenue.

- **Drinks Company:**

£570k saving on core production / supplier process on annual spend of £26m - 2.2%.

This result was achieved in a highly focused problem solving effort over only 20 days !

- **Aero Engineering Services Company:**

Saved annual £184K on a repair process for engines with annual sales of £320k - 57%.

This was previously a loss making process which was turned around.

- **Electrical Goods Company:**

Completely resolved a £3.2m cost problem on sales of £54m - 5.9%.

Problems with this transactional process included incorrect pricing, errors in invoicing, packing errors, and delivery mistakes.