Digital Transformation for Consumer Goods Manufacturing

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Schneider GElectric

Dedicated to help facing the challenges of the Consumer Goods industry



Changing consumer demands

Need to manage an important number of SKUs.



CapEx and OpEx constraints

Need to extend life of aging equipment.



Climate change x and resource nts scaroity

Need to optimize the use of raw materials, energy, and water.



Consumer trust and regulation

Need more product information, and traceability.



Changing workforce demographics

More difficult to attract and retain talent.

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Digital Transformation Imperatives



Transformation Timeline

Digital transformation in manufacturing driven by supply chain efficiency & velocity

After Operation	Current Time	1 to 15 days	1 to 3 months	1 year	2 to 10 years
Operations Analytics	Actuals	Operation Targets	Operation Plan	Fiscal Targets	Strategic decisions
Performance	Operations	Scheduling	Operational Planning	Medium Term Business Planning	Long Term Business Planning
Overall Equipment Effectiveness	Production Management	Logistics	Supply & Dist. Planning	Budget Planning	Corporate Planning
Schedule Attainment	Quality Management	Daily Scheduling	Production Planning		Investment Planning
Production Reporting	Inventory Management		Quality Analysis	1111111	
Scorecards	Information Management				
Traceability					

Life Is On

hneider

To next level efficiency thanks to five integrations



Interna

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Optimizing the Manufacturing Value Chain

Visibility & Traceability

View Enterprise-Level KPIs and Scorecards Aggregated from Multiple Plants. Selectively Share Operations Data across the Enterprise, Supply Chain and Customers.

Production Schedule Optimization

Optimize Supply Chain Sales & Operations Plans around:

• Cost

- Sustainability
- Business agility

Manufacturing Execution

Execute Optimized Schedule and Manage all Work Processes

Connected Worker

Empower Workers to be productive, reduce errors and continuous improvement

Advanced Analytics

Continuously Monitor KPIs and Optimize Operations for:

- Reliability
- Efficiency
- Quality
- Sustainability

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Industrial Information

Contextualized Operations Data that Connects Elements of the Digital Thread to Enable Optimization Across the Entire Value Chain

A Roadmap for Digital Transformation Step 1 - 2

1. Establish a strategy

- What are the business outcomes required
- · What operational excellence lever are priorities

2. Understand your current maturity

- Many organizations have a range of transformation behaviors
- Maturity is linked to teamwork and the quality and completeness of information
- Highest maturity exploits opportunities





A Roadmap for Digital Transformation Step 3 - 4

3. Define an operational architecture

- A 360° Digital Twin, across the Asset and Operational Life Cycle
- · Brings commercial and technical flexibility to the architecture
- Agnostic connectivity, within the plant, to the supply chain, with business systems and to corporate data lakes
- Integration of information across the asset and operations life cycle

Data Lake

Business

Systems

4. Define and execute a roadmap of value adding solutions

- Mobility on the plant floor
- Fully immersive virtual reality for training and operations
- Augmented reality
- IIoT Secondary sensing
- Machine learning and artificial intelligence
- Predictive analytics
- Advanced sensing and control
- · Horizontal and vertical operational integration and global best practices

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- Traceability through the supply chain to the consumer
- More agile supply chain and plant



Business Values

Process Nexus II has helped to solve this problem by reducing the quality traceability process time to <u>only one</u> <u>minute</u>. Without Process Nexus II, it would take us more than four hours to complete one traceability report."

Watcharapong Boonnam, Operation Excellence Manager at F&N Diaries.

1 min

MES Performance coupled with New Belgium's continuous improvement strategy, has increased our packaging line efficiency by **30%, saving us more than \$400,000 annually** in previously planned labor expenditures.

Joe Herrick, Packaging Systems Manager

\$400,000





Nestlé builds a strategic business partnership with AVEVA to enhance its engineering IS and IT systems

Monitoring & Control software and MES solution streamlines processes and boosts operational efficiency



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Danone used AVEVA MES to construct a bespoke digital factory model to drive efficiency and collaboration across its global specialized nutrition business

Core MES with 20 standard functionalities ensures

consistent, traceable product quality

production efficiency

collaboration and operational financial efficiency across region



Expected Outcomes:

- Reduced TCO
- Capacity Improvement
- Supply Chain Accuracy & Resiliency
- Quality & Compliance
- Flexibility & Agility
- Consumer Trust
- Asset Optimization
- Energy & Sustainability

Farm

Factory of Future (Smart Manufacturing)

Performance

Traceability

Production

Maintenance •

Storage

1700 MARGEELER

Inventory

End to end:

Horizontal Integration: Receiving to Dispatch

Vertical Integration: Enterprise to OT

Energy Management

Advanced Planning & Scheduling

Distribution

Quality

Fulfillment



Thank you Learn more about EcoStruxure for CPG at the Innovation Hub



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