

Establishing Optimal Manufacturing Order Quantity

Beverage Manufacturer Scale: \$154M Annual Revenue

Adonis Partners helped a beverage manufacturer align order sizes and improve current operations, resulting in optimized operational efficiency and consistent production.

- ✓ Generated \$38k in NET operational cost savings
- ✓ Engineered a tailored SKU-based order quantity model
- ✓ Grew production throughput by 11%



11%

Increase in Production

38k

NET Operational
Cost Savings

74.6K

Gross Savings

A leading beverage manufacturer faced challenges with case fill rates and sub-optimization between manufacturing and supply chain operations. They approached Adonis Partners after experiencing fluctuating operational efficiency. Rates ranged from as high as 62% to as low as 53% due to inconsistent shop order sizes and frequent changeovers.

Adonis began the diagnosis phase by conducting a thorough analysis of current data and collaborating closely with a cross-functional team. Together, an optimal order quantity model was established by SKU. This model accounted for changeover costs, labor requirements, carrying costs, and the cost of capital. Additionally, the model integrated safety stock levels and reevaluated past criteria for minimum order quantities to ensure accurate and efficient planning.

By enacting this model the company saw considerable operational improvements. Production throughput rose by 11%, yielding a net savings of \$38k. These savings included \$36.9k in incremental changeover costs, \$53.5k in storage savings, and \$21.1k from lower carrying costs. Beyond the financial benefits, the optimized process stabilized operational efficiency, allowing for more consistent production schedules. The coordination between manufacturing and supply chain teams delivered immediate results and set a foundation for process excellence.