

MASTER BREWERS ASSOCIATION OF THE AMERICAS

MANUFACTURING EXECUTION SYSTEM AT CARLSBERG BREWERIES

MBAA 123rd Anniversary Convention Brewing Summit 2010 June 18 - 20, 2010 Rhode Island Convention Center Providence. Rhode Island

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What is a Manufacturing Execution System?

A Manufacturing Execution System is a dynamic information system that drives effective execution of manufacturing operations. Using current and accurate data, MES guides, triggers and reports on plant activities as events occur. MES is a set of functions that manages production operations from the point of order release into manufacturing to the point of product delivery of finished goods.

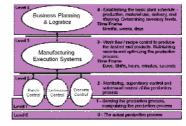
On the right: The Instrument Society of America S95 -Defines Level 3 – Manufacturing Execution Systems

Why did Carlsberg Breweries Europe decide to implement a Standardized MES?

The short answer is to **Make More Money**. Carlsberg already had an initiative running called Production Excellence. Within this program Carlsberg was using Best Practice Sharing across the breweries in Europe to improve performance. The teams soon realized that they lacked data and information to make comparisons effective. A myriad of systems were providing information and they were not connected into the whole business process.

Carlsberg decided to launch a Business Standardization Program which will implement a common SAP/ERP template across all their breweries in Europe. The core design for the MES layer covers the following:

- Brewing & Processing
- Filling & Packaging
- Utilities Environmental
- In-Line and At-Line Quality
- Integration with ERP/SAP
- Integration with Controls/SCADA



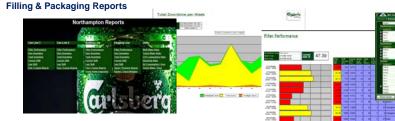
Did Carlsberg Make More Money?

The answer is yes, and the improvements were so significant that they were reported to the shareholders publicly:

- Sales increased by 1.5% due to better response to demand, especially demand due
- to special marketing campaigns, weather changes and sports campaigns
- Gross Margins increased in addition by 1.2% due to the real-time accurate data provided from the Filling & Packaging Lines on most profitable packaging type
- Ratio of Own Downtime on all lines has reduced from 28% to 13%
- Can material loss has reduced from 1.6% to 0.72%
- Utilization of Canning lines has increased by 15%

How did Carlsberg do it?

With an integrated ERP/MES/Controls solution providing detailed reports for action and embedding improvements permanently – Sticky Lean.



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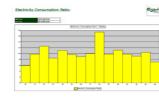
Brewing & Processing Reports

Utilities Environment Reports



In Line & At Line Quality Reports

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