

EMERGING TRENDS IN FOOD MANUFACTURING:

OUTSOURCING FACILITIES MANAGEMENT & SANITATION SERVICES

Until recently, there was a clear demarcation between facilities management services that manufacturers outsourced and those that they managed in-house — a division known as the “yellow line.”

For decades, manufacturers handled everything from building repairs to janitorial services inside the yellow line, while outsourcing those same services to trusted partners outside the yellow line. This division is beginning to fade as manufacturers realize the integration of outsourcing “beyond the yellow line” yields benefits far greater than the traditional model of service separation. One area where this approach is now gathering momentum is in food manufacturing.

This momentum directly correlates with the appeal of transferring risk management to a trustworthy partner, thus removing the threat of failed inspections, food recalls, hefty costs and a tarnished brand.

*Find out why so many manufacturers, especially those in the food industry, are outsourcing facilities management services and experiencing a plant that is consistently **“tour ready.”***

Top 10 Benefits of Outsourcing Outside — and Inside — the Yellow Line

When manufacturers partner with a reliable, high-quality outsourcing provider beyond the yellow line, the company can allocate more time, resources and budget for business-oriented objectives without any loss of control. Benefits specifically include:

IMPROVED OPERATING ENVIRONMENT

1

PRODUCTION UPTIME

When buildings, facilities, equipment and employees are working at optimal levels, manufacturers achieve greater uptime and less downtime. A break in any single part in the vast production system can mean hours or days of downtime, lost revenue and exorbitant repair costs. However, taking a preventative and predictive approach to facilities management helps ensure that systems rarely achieve a full breakdown. The more uptime manufacturers achieve, the greater return on their investment.

2

PREVENTATIVE AND PREDICTIVE MAINTENANCE

Experienced outsourced providers bring exceptional expertise to ensure operations run smoothly and safely. Imagine knowing when bolts on a machine needed tightening, preventing the machine from breaking down. Those 30 minutes of maintenance protect against the risk of the machine breaking down as a result of loose bolts. This could take three to four days to replace the parts and cost \$7,000 to \$10,000 for a new motor.

PROCESS STANDARDIZATION

3 RESPONSIVE AND DEPENDABLE MAINTENANCE AND JANITORIAL SERVICES

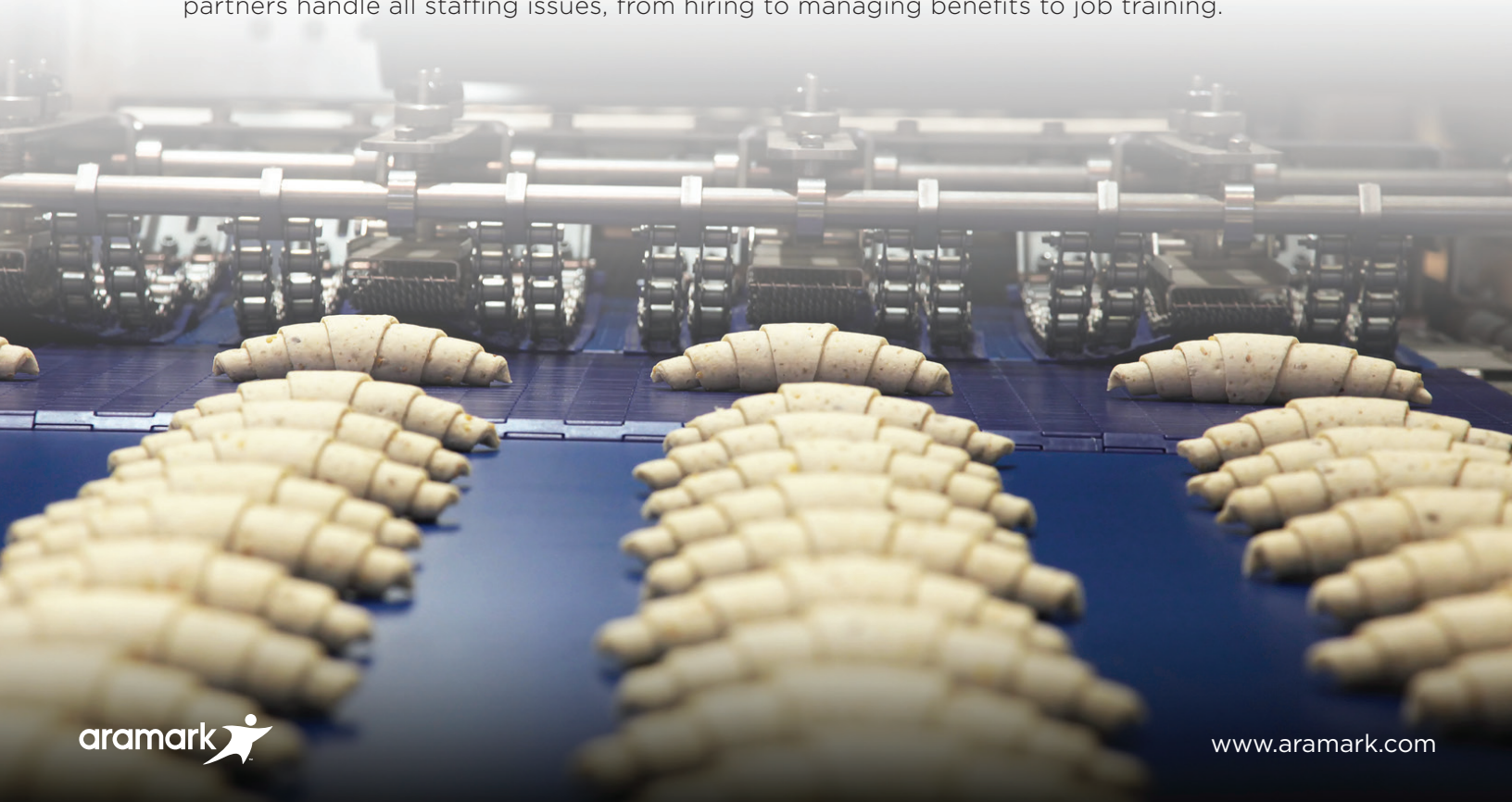
Facilities management partners are experts, bringing best practices to you while delivering the highest levels of maintenance and janitorial services. Adding preventive and predictive maintenance capabilities also ensures that issues, such as dust buildup, are handled properly and timely so equipment malfunction or personal safety risks won't derail production schedules.

4 INCREASED ATTENTION TO BUILDING MAINTENANCE AND DECREASED DEFERRED MAINTENANCE

Older buildings pose a constant risk of interrupting production due to operation downtime required for repairs. They also pose a potential risk for worker safety. Consistent attention to aging buildings and critical components of older systems significantly reduces these issues, thereby supporting always-on production and employee welfare. Cleaner workplaces and better-maintained facilities result in higher business productivity versus spending millions to repair broken equipment and buildings.

5 INCREASED TIME TO FOCUS ON THE COMPANY'S CORE BUSINESS

With an outsource partner, operations managers gain freedom from the hours spent managing facilities' employees. Those hours can be reallocated to the core business when outsource partners handle all staffing issues, from hiring to managing benefits to job training.



LABOR CONSISTENCY AND RELIABILITY

6

PRODUCTION LABOR HIRING MANAGEMENT

Handling the labor issues of facilities management can be one of the most time-consuming and chronically challenging aspects of manufacturing. Expert facilities providers bring professionals with human resource expertise as well as a network of existing talent to your organization. Your operation will benefit from efficient and cost-effective processes to recruit and retain the right personnel for production needs.

7

RECRUITMENT CHALLENGES FOR SPECIALIZED ROLES

While some facilities management jobs are fairly routine, others are highly specialized. For example, sanitation in food manufacturing facilities, a process highly regulated by the FDA, requires dedicated individuals with highly specific training. Failing to pass inspection can be costly to a manufacturer, possibly forcing closure. An outsource provider can expertly meet such challenges with experience hiring trained personnel for such specialized tasks.

8

EMPLOYEE RETENTION

Too often, in the name of cost savings, manufacturers select facilities staff based on price. However, this approach can result in low-quality output, unsatisfied employees and inconsistent staffing levels. Happy employees are not only more productive, but also more likely to want to keep their jobs. With the right outsource partner, manufacturers gain a satisfied workforce and eliminate the costs of high staff turnover rates.



BETTER PREPARATION FOR AUDITS AND INSPECTIONS

9

QUALITY ASSURANCE AUDIT PREPARATION AND SANITATION WORK

Experienced service partners are familiar with the nuances of preparing for and passing regulatory or third-party quality audits. The process can be both confusing and grueling without extensive auditing knowledge. Bringing in such expert levels of experience, honed over time and in multiple similar environments, gives your organization an inspection advantage. Imagine regularly achieving and maintaining excellent ratings.

REDUCED COST OF SANITATION

10

REDUCED FACILITIES OPERATING COSTS

Among other cost-saving measures, experienced outsource partners help manufacturers meet output quotas at value-based costs. This prevents manufacturers from falling into the trap of receiving lower-quality services after negotiating lower fees. Effective outsourcing correlates to more cost-effective service pricing, saving significant funds over time.



REAL-WORLD EXAMPLES:

Improvement Through Outsourcing

Discover how outsourcing facilities services such as sanitation can impact the bottom line.

PRODUCTS PROCESSED	QUALITY IMPROVEMENT IMPACT	COST IMPROVEMENT & AVOIDANCE IMPACT	CUSTOMER SATISFACTION IMPACT
<p>CANDY MANUFACTURER</p>	<ul style="list-style-type: none"> • Quality scores increased by 13 percent through Sanitation Program improvements 	<ul style="list-style-type: none"> • Staffing was reduced by 32 percent while maintaining measurable quality • Attributed savings are well over \$730,000 	<ul style="list-style-type: none"> • The customer satisfaction rating exceeded 93 percent every year their partner was on site
<p>SPICE MANUFACTURER</p>	<ul style="list-style-type: none"> • FDA audit scores increased by 28 percent 	<ul style="list-style-type: none"> • Changeover times were reduced by 10 percent • Production increased by 11 percent 	<ul style="list-style-type: none"> • The customer satisfaction rating improved by 90 percent • The staff retention rate increased to 97 percent
<p>BAKED GOODS MANUFACTURER</p>	<ul style="list-style-type: none"> • AIB scores improved by 4 percent at all account sites • Audits remain in the superior ratings category 	<ul style="list-style-type: none"> • Warehouse employees reduced by 42 percent • Sanitation overtime was reduced by 93 percent • Cases shipped per month increased by 3 percent 	<ul style="list-style-type: none"> • Sanitation staff retention rates increased to 95 percent • Customer satisfaction averaged 92 percent
<p>BAKED GOODS MANUFACTURER</p>	<p>Implementation of RCM-based maintenance program:</p> <ul style="list-style-type: none"> • Breakdowns were reduced by 60 percent • Parts inventory was reduced by 30 percent 	<p>Within 18 months:</p> <ul style="list-style-type: none"> • Waste stream was reduced by \$1.9 million (OEE improvement) • Capital budget was reduced by \$900,000 	<ul style="list-style-type: none"> • Employee turnover was reduced by 10 percent • Customer satisfaction scores improved 18 percent

A partnership with a proven service provider outside the yellow line means the potential for great benefits inside the yellow line, including the same expertise, innovative technology, best practices, cost-savings and attention to detail. Aramark has consistently delivered these benefits, as well as others, in many food manufacturing environments.

Are you ready to bring these advantages across the line at your facility?

CONTACT ARAMARK FACILITIES TODAY!