



The Coca-Cola Company

Title: Kit Size Optimization Project (KSO)

Subtitle: Process Improvement for Commercial Product Supply (CPS) Division

The Opportunity: As part of Reimaging the Supply Chain initiative (Now referred to as Global Strategic Supply Chain) KSO is one initiative within the Product Simplification workstream. The purpose of this project is to reduce complexity and modularize design of current and future products to increase productivity and eliminate ergonomic constraints.

The Challenge:

- Bright Water Consulting's (BWC) role in the project initially started as a support role for Ballina the largest CPS plant in the system with the implementation of KSO.
- In this role the BWC Consultant was placed on the KSO team where they supported the identification of opportunities and routines leveraging Agile methodology to implement actions delivering over 2M USD in savings.
- As the initiative progressed, the BWC Consultant was requested to take the lead for the KSO initiative at the global level.
- In this new capacity the BWC Consultant led the implementation of KSO for 11 plants across the world.
- This required collaboration to identify cost saving opportunities, instilling monthly and bi-monthly routines to share best practices and eliminate impediments, along with communicating actions/results to senior leadership to support and drive the initiative throughout CPS, our BU's and Bottlers.

The Solution:

- When the BWC Consultant started the project the "Product Owner" for KSO was based out of the Lean Center in Atlanta and routines were held one on one with the plants.
- This works for the first couple of plants but as we continued to launch more locations, we needed to create sustainability of the project with local ownership, while sharing successes and impediments with plants who were just starting the journey.
- To create this ownership, the BWC Consultant supported the team in a "Product Owner" capacity until they were able to get a local product owner in place. Once this person was in place, they realized much more support and ownership in the plant for the initiative.
- In parallel to identifying a Product Owner the BWC Consultant formalized and launched 5 workstream routines (Scrum Master, Equipment and Technology, Logistics, Packaging, Formulas) to share success and impediments between the plants. Each of these routines are led by a stream expert to ensure best practices are shared between locations. These routines are held at a monthly or bi-monthly level ensuring latest developments are shared with the team.
- Another area the BWC Consultant able to support the CPS plants with is their relationship with the bottlers. As the BWC Consultant had existing relationships in CSE and North America they were able to connect the plants with our bottling partners. Through this introduction CPS plants had an avenue to share the KSO project and create demand from the bottlers for optimized kits.
- As the rollout progressed the different plants would ask the BWC Consultant to meet with their BUs or Bottlers to share the initiative and gain support as they had not had bottler facing opportunities in the past. Creating these relationships allowed the project



to gain momentum while also building the relationship with our bottling partners to work better on future initiatives.

The Results:

- Prior to this project Agile methodology was not standard practice. Now they have utilized this methodology for KSO, they will apply it to future initiatives to create rigor and speed.
- This project has identified over \$10M in savings that will be delivered over the next 3 years. This doesn't even capture the savings that will be realized by the bottlers through productivity and ergonomics.
- Also, as the portfolios are getting more and more complex for the business, we created an annual routine to rerun the KSO sizing tool in each plant to identify formulas that should be upsized based on formula growth. This will ensure we always keep an eye on growing formulas.
- The workstream routines that are now in place will continue to facilitate the communication between the plants to share best practices and potential pit falls avoiding lost time and team frustration.
- One of the most sustainable benefits the BWC Consultant provided was the bottler relationships. The KSO teams were able to visit our bottling partner locations and see how their work directly impacts the system. This opened not only doors of communication but their minds on how their decisions impact the entire system.