

## Factory Relocation for Freudenberg in Tyneside, UK

### Background

Freudenberg Technical Products had a large 25,000m<sup>2</sup> old factory on land that could be sold for retail use, so the objective was to find suitable premises locally and then manage the relocation process. The timescale for this relocation was a maximum of 9 months to ensure the land sale could take place. This relocation would mean finding space for over 700 machines and a workforce of almost 1000. Most customers were automotive OEM (Ford, Nissan, etc) and so they were very uneasy about a change in factory location which may disturb supply.

### Overall contribution / achievement of objectives

Steve led the complete project from start to finish. He formed a core team and several sub-teams each charged with specific aspects of the relocation. Steve communicated directly with the workforce every week, which maintained motivation and enthusiasm to complete the relocation as a team effort. It was completed on schedule and within the £5.5 million budget set for the project. There were no delivery or quality issues for any customers during the relocation.

### Impact on the business / bottom line

“Of course the immediate impact was the cash-flow generated by the sale of the land and how this could be reinvested. However the longer term impact was the way the three focused factories operated. The success of the move gave everyone the confidence to try new things and they went on to improve their quality, delivery and stock turns for several years afterwards.”

### Leadership / people management skills

“Steve was a natural choice as he had excellent project management skills from his time at Ford. He also possessed the right style of leadership to get hundreds of people working towards the goal, without which we would have not succeeded. In addition, he also convinced the management team that we needed less space and the resulting total area of the 3 focused factories was less than 14,000m<sup>2</sup>. This 40% reduction forced us to use different ways of working and in the end we more than tripled stock turns and again he implemented the methods to do this ”

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