

Case Study

Reduced Working Capital through Inventory Management **Royal Mint**

The challenge

The Royal Mint issued 34,000 pairs of gloves to its employees in one year. The organisation stocks 33 different styles of glove for use across four manufacturing areas, at an annual cost of £70,000-£90,000. That's a lot of gloves - and they took up a lot of valuable space on Royal Mint premises.

Despite the gloves, injuries still occur. In fact, 54% of injuries at the Royal Mint this year related to hands and fingers and, when they occur, the associated cost of one injury alone can amount to more than £60,000. So, the Royal Mint wanted to examine its spend, reclaim space, and cut accidents relating to hand protection. It called in Brammer to help.

The solution

Under Project Guardian, Brammer formed a team with its associates at the Royal Mint and representatives of Ansell, the world's largest manufacturer of gloves. The team conducted an audit of glove use by employees in the four manufacturing areas, as well as by engineers and trades people.

It emerged that the rationale for choosing one kind of glove over another was purely historical – a case of “We’ve always done it this way”. Brammer and Ansell therefore proposed a more scientific approach to glove selection. They compiled an 8-Point Plan aimed at cutting the inventory from 33 styles to around 10 and at cutting the risk of accidents by ensuring that, for each process, the most appropriate glove be used. Brammer is currently producing visual guides for the Royal Mint’s employees, demonstrating which glove is most suitable for each process.

They compiled an 8-Point Plan aimed at cutting the inventory from 33 styles to around 10.

The Outcome

Project Guardian, is a unique innovation: never before has the Royal Mint taken a scientific approach to its PPE.

Brammer is on course to unlock savings of an estimated £20-25,000 simply by streamlining the number of gloves needed. This reduction to the Royal Mint’s inventory brings associated benefits and savings: fewer SKUs means a reduction in working capital spent on procurement and storage.

The hidden costs – those caused through injury – are yet to be finalised; however, on the basis that a single injury can cost the business up to £60,000+, Brammer is confident of a saving of several thousand pounds.

Such is the success of Project Guardian, it is likely to be used again, as Safety, Health & Environment Coordinator MRB* Mark Milsom, commented:

“This is the first time that the Royal Mint has approached a health & safety project in this way, and the collaboration between Brammer and Ansell is proving very useful; their methodology can be used again for other items of PPE – safety glasses, hearing protection, footwear etc – leading to further savings for the Royal Mint...”

The partnership was a fruitful one, according to Russell Gardiner, Brammer’s Insite™ Manager at the Royal Mint. Russell said: “Working with one of our key suppliers in this way has been a positive learning curve and has given me several ideas for further cost savings in future. I have to thank Kath Tobin and Mark Milsom at the Royal Mint for all the time they have devoted to this very worthwhile process.”

*Milling, Rolling, Blanking