



Emilia Cosmetics Case Study

LeaderMES helps improve profitability of the company and facilitates expansion of the manufacturing process

Emilia Cosmetics Empowers Employees and Enhances their Contribution with LeaderMES Out-of-the-Box OEE

About Emilia Cosmetics



Emilia Cosmetics is one of the largest manufacturers of Private Label/ Contract Manufacturing health and beauty products in the world. The company offers a comprehensive outsourcing solution for the development, production and packaging of HBC products for leading retailers and brand owners globally.

Previously known as Zohar Cosmetics, the company is owned by The Emilia Development Co., a subsidiary of O. Feller Holdings Ltd. The group holds equity stakes in companies involved in industry, infrastructure, commerce, logistics, and real estate. Emilia Cosmetics also operates a US subsidiary, Emilia Personal Care, which acts as a sales, marketing and distribution arm in the North American market, servicing most of the top 10 US retailers with National Brand Equivalent private label products. Among these retailers are RiteAid, Walgreens, Walmart, Kmart, Kroger and other.

A public company, Emilia Development is traded on the Tel Aviv Stock Exchange (EMDV). Emilia also invests and manages real estate interests in North America.

Emilia Cosmetics Business Challenges

As a leading Private Label and Contract Manufacturer for some of the largest retailers and brand owners worldwide, Emilia Cosmetics is expected to always be up to date with the latest market trends and new product introductions. To keep in the forefront of its market, Emilia's development process must be streamlined to enable speed to market, whilst paying meticulous attention to every product detail including formulation, fragrance, primary and secondary packaging, design, regulatory compliance etc.

One of the main incentives for implementing a manufacturing system was the need for standardization. Much like other manufacturers in this business, Emilia Cosmetics' profitability depends on the efficiency of its manufacturing lines. The ability to raise the amount of units manufactured per minute can result in significant changes to the profit line of the company. Moreover, manufacturing standardization many allow the company better flexibility in responding to changing customer needs as well as accurate pricing of its goods.

The LeaderMES Solution at Emilia Cosmetics

The initial implementation of LeaderMES at Emilia Cosmetics started in February 2017 with 5 filling lines. The first target of the implementation is to collect data from the lines in order to standardize the manufacturing norms by understanding the gaps between the manufacturing potential of each machine and its efficiency in real-life. Most manufacturers would find it easy to measure significant machine stoppage periods, but without a suitable automated monitoring system it is very difficult to measure short stops. Unfortunately, these short stops may accumulate to a significant gap in machine efficiency. In the very first steps of LeaderMES' implementation at Emilia, this information has been collected and presented to the manufacturing team, so immediate corrections and improvements could be made.

"Sometimes it is difficult to have an objective look at the challenging areas in the work process," says David Ifrach, head of Production Engineering at Emilia Cosmetics and leader of the smart manufacturing project in the company, **"LeaderMES helped us analyze the machine efficiency in real-life, understand the causes for the stops and delays, and pushed us to make the necessary changes and come closer and closer to our machines' potential."**

LeaderMES' solution comprises of non-intrusive PLCs, connected to each one of the filling lines at Emilia's manufacturing facility, and deploys LeaderMES InCloudFactory based on Cisco routers. The system uses tablets with LeaderMES Operator App on each machine for the operators' usage and LeaderMES Management App for the managers level. It works on Amazon Cloud Computing Services, AWS, which provides superior security and allows continuous access to the system anytime, anywhere.

The system was deployed as part of the LeaderMES introduction package, and the implementation focused on managing live OEE with its KPIs. LeaderMES' engineers worked closely with Emilia's engineers to ensure smooth and easy implementation.

The Benefits

Automated Solution Renders Manufacturing Staff More Valuable than Ever

The first step of implementation already gave Emilia's team a taste of the system's potential: *"within one month of using LeaderMES we saw the benefits,"* explains Ifrach. *"I was looking for a system that is unique, innovative, and easy, something that can bring real benefit to the factory, and not overload the users with cumbersome implementation or tailor-made applications. I was looking for an off-the-shelf solution that will show benefits quickly, and I found all this in LeaderMES".*

The clear interface, together with the training and support provided by the company, allowed the engineers of Emilia Cosmetics to quickly adopt LeaderMES to their daily routine. As the project continued, Ifrach was anxious to see how the line operators accept the new system. To his surprise, operators embraced it quicker than expected. *"The straight-forward simplicity of LeaderMES is a key asset,"* says Ifrach. *"The operators see on their tablets the information that they need for their work, and they know it's reliable and reflects the manufacturing processes in real-time. The involvement of the line operators through the LeaderMES system made a real 'wow' effect among the employees, and each of them can see their significant contribution to making the manufacturing process more efficient."*

LeaderMES has also provided new abilities to the mid-management of Emilia Cosmetics, allowing them the benefits of reporting and analysis on a daily basis, as well as information-based estimation of ROI. Decision-making has become easier and the managers feel they have the ability to be more proactive and less reactive in their daily work.

"Any company that works with the principles of Lean Manufacturing would appreciate the benefits that LeaderMES can give it," states Ifrach. **"The better you manage your information, the more benefits you enjoy, and the information and analysis that LeaderMES provides is golden."**

The Results

David Ifrach notes several major achievements since implementing LeaderMES in Emilia Cosmetics:



Employee motivation:

Ifrach mentions the crucial part of the operators in the success of the system, allowing each and every one of them objective, ongoing feedback on their work, and making their contribution significant and meaningful to the company. *"Making their voice heard and their opinions count, acknowledging their contribution to the entire process via ideas and improvements they implement, are crucial factors in our employees' satisfaction and retention, and as a result, in the overall success of the company,"* explains Ifrach.



ROI-based decision making:

Enabling comparison of expectations vs. results allows the company to make informed decisions about enhancements, investments and pricing. In the past information could only be collected via external observations usually made by consulting firms during lengthy and expensive processes. *"With LeaderMES,"* says Ifrac, "the information is collected in an unthreatening manner, with a tool that is non-intrusive to the workflow and costs a fraction of a consulting project."



Sense of Achievement:

Both employees and managers receive informative feedback on their work, and the manufacturing performance is measured and assessed by facts. This allows better planning towards the future but also enhances the joint sense of achievement for the entire company. Company expansion, long-term plans and improvements can be considered with higher confidence and motivation.

"The information provided by LeaderMES is truly incredible," summarizes Ifrac, **"other companies invest great effort and resources in achieving a fraction of this. We have it now at the tips of our fingers and it gives us a great competitive edge."**



For more information or to schedule a demo please email us at info@leadermes.com or visit www.leadermes.com

