

Shanghai, China. August 2016

Katcon is a global company with a presence on 5 continents that designs and manufactures exhaust systems and catalytic converters for the automotive industry.

As part of Katcon Global (Shanghai) Emission Control Systems continuous improvement initiatives, we developed along with London Consulting Group the project called "Fighting & Improving Katcon" with the objective of strengthening the operational excellence processes and improving our personnel's performance, obtaining the following achievements:

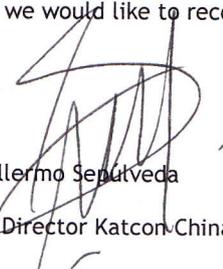
**Main models and activities carried out:**

- **Programming and Planning Model to optimize production sequences and the use of resources.**  
Design and implementation of the capacity plan tool to determine production and human resources strategies in the short and long term.  
Design of planning tool to determine the daily production plan according to the stock policy and the forecast.
- **Balance of Lines and Work Design in order to increase productivity of the manufacturing cells.**  
Restrictions analysis in production lines to eliminate bottlenecks.  
Increase of production standards.
- **Floor Control Model to improve efficiency in the production lines.**  
Implementation of OEE to measure and manage the use of time, speed and quality of the line.  
Design and shoulder-to-shoulder implementation of typical days and supervision routines.
- **Maintenance Model to improve the availability of equipment and reduce down time.**  
Strengthening of preventative maintenance routines.  
Design of Maintenance Process Control through work orders.  
Design of tools to record historical data of each equipment, performance indicators and service level.
- **Initiatives for the Reduction of Manufacturing Expenses.**  
Implementation of initiatives for the reduction of manufacturing expenses due to: budget control, negotiation with supplier and consumption control.
- **Performance Evaluation Model**  
Design of Model to compensate employees based on quantitative and qualitative standards.  
Design of KPIs per position to evaluate performance individually.

The project's results are:

- A 17% increase in efficiency at the lines (use of time, speed and quality), measured through OEE.
- A 17% reduction in manufacturing expenses.
- A 5% increase in personnel's productivity (Payroll vs. Added Value Sales) measured against the same period of last year.

It is worth noting that London Consulting Group's work was not limited to providing improvement suggestions, but also worked in conjunction with our personnel to design and shoulder-to-shoulder implement the changes in the organization. Based on the aforementioned, we would like to recommend London Consulting Group.



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