



PERFORMANCE IMPROVEMENT IN THE PRIVATE SECTOR



Newton Europe with Brintons

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Newton helps leading carpet manufacturer Brintons achieve annualised savings of over £2 million

Founded in 1783, Brintons Carpets is a fine carpet manufacturer with production facilities in the UK, Portugal and India, generating approximately £80 million in sales worldwide.

The business was bought out of administration by the Carlyle Group and a year later, Newton was asked to do an assessment of its operational functions to find additional opportunities and savings for earnings before interest, taxes, depreciation, and amortisation (EBITDA).

Newton embarked on a detailed programme that involved working in close collaboration with all levels of the company. The initial focal point was to look at waste yarn, which is a by-product of carpet manufacturing. Due to the bespoke nature of most of Brintons' products and the condition waste yarn is left in, it has a very low resale value. Newton's primary aim was to reduce this unnecessary waste in order to make savings on the purchase of raw materials.

A project team was assembled, made up of both Newton and Brintons people, including factory managers and participants from the three global weaving sites in the UK, India and Portugal.

The team was able to identify the biggest type of yarn waste and went through a thorough process of challenging every reason for its production. Once the volume of waste had been challenged down as far as possible, alternative higher value uses for the yarn were explored, such as recycling lighter yarns into darker blends which delivered even further value.

Newton also began looking at Brintons' yarn spinning. The company had been outsourcing seven tonnes of production a week to an Indian facility for the past several years. Due to the additional transportation and margin costs, this was adding £400,000 in annual expense.

Newton pinpointed a bottleneck at the carding machines, which were stopping insourcing of work. An hourly monitoring system was set up, whereby the team leaders could regularly challenge or praise performance across the day and assist in the resolution of any larger issues.

The improvement team also closely studied Brintons' shift structure, realising it could be taken from three shifts to two in the UK weaving factory, while still allowing for the same volume of work to be manufactured. This smarter shift modelling reduced the indirect and ancillary labour of the third shift, while removing the need for night shifts altogether, and as a result, the night shift premium.

Newton worked closely with Brintons staff at all levels, which significantly boosted the successful, sustained outcome of the work. New reporting structures were set up to ensure sustainability and project champions were trained in new methodologies and coached throughout the delivery of the improvement programme. Newton also supported the valuation and submission of some large CapEx programmes, ensuring all the benefits were correctly understood and baked into budgets.

Final results included sustainable savings of £1.2 million in waste reduction, £400,000 through insourcing work, and £510,000 in smarter shift restructuring, totalling over £2 million a year.