



Accessible Information for Manufacturing with the Pl System

Presented by

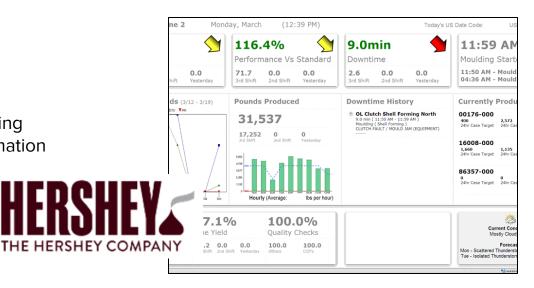
Russ Gregg
Sr. Project Manager/Manufacturing Information Services
The Hershey Company







AIM – Accessible Information for Manufacturing provides Hershey plants with real-time information to drive proactive manufacturing execution.



Business Challenges

- A. Reduce manufacturing cost.
- B. Drive proactive execution of best practices.
- Accelerate the rate of continuous improvement.
- D. Improve quality and reduce the cost of compliance.

Solution

- A. Deployed open, flexible and scalable platforms.
- B. Focus on facilitating operator task execution and issue response.
- C. Created graphical easy to use role based solutions.

Results and Benefits

- Paperless manufacturing management.
- Breakdown & maintenance repairs down 33%.
- Speed & throughput losses down 30%
- Quality losses down 22%



The Hershey Company

- Leading manufacturer of chocolate, candy, gum, mints and snacks.
- Rapidly expanding our brands across global markets.
- Over \$7.4 billion in annual revenue across over 7,000 SKUs.
- Over 21 000 employees



Growing through global expansion and strategic business acquisitions.









Hershey Legacy - Doing well by doing good!

Year	Event
1894	Milton S. Hershey establishes the Hershey company.
1905	The Hershey Chocolate factory begins operations and the Hershey Trust Company is established.





120 years of "Doing well by doing good!"

1918	Trust Fund to benefit children in need.
Today	The Milton Hershey School is a coed boarding school benefiting over 2,000 students from pre-K through High School.



Leader in Corporate Social Responsibility

- 2014 Responsible COE of the Year Corporate Responsibility Magazine
- 2015 <u>Most Ethical Companies</u> Ethisphere Institute.





Doing well by doing good is just good business!

Sustainability Strategy

- Committed to sourcing 100 % sustainable cocoa by 2020.
- Committed to sourcing 100 % traceable palm oil by 2015.
- Project Peanut Butter in Ghana. Building a plant and leading the effort to produce peanut based food sustenance bars for children to help over come malnutrition.





21st Century Global Supply Chain Challenges





Information will be the key to overcoming supply chain challenges!



Manufacturing Information Technology Investments

"Best in class manufacturers are:

• 52% more likely to utilize MES.



Information investments are the key to driving desired outcomes!

effective decision making."

 77% utilize automated data collection for inventory, production and quality.

Aberdeen Group



Manufacturing Visibility

Results of an IBM survey of over 400 supply chain executives in over 25 countries and 29 industries.



Real time visibility drives faster and better decisions!

their operations on the ground-level or on the production floor in real time, and this lack of insight hampers their ability to make the right decisions at the right time."

IBM - Driving operational excellence with predictive analytics



What is a "Real-Time Enterprise"?

"The Real-Time Enterprise <u>monitors</u>, <u>captures</u> and <u>analyzes</u> <u>root-cause</u> and overt <u>events</u> that are critical to its success the instant those events occur."





The PI System is a key enabler of the Real-Time Enterprise!



The Real-Time Enterprise will then <u>exploit</u> that <u>information</u> to progressively <u>remove delays</u> in the <u>management</u> and <u>execution</u> of its critical business processes."



Gartner

Hershey Business Drivers

 Drive manufacturing cost reduction through improved quality, efficiency, productivity and asset utilization.





Start with the final outcome in mind!

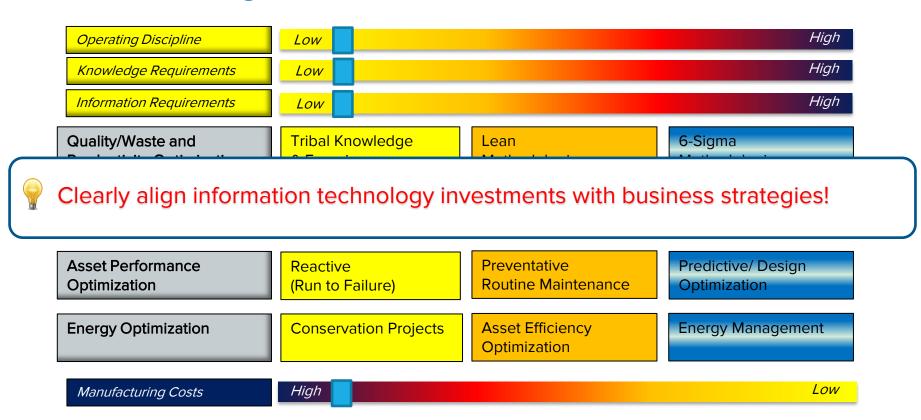
manufacturing visibility and guided production execution.







Enable Strategic Execution





Engage Key Stake Holders

R&D

- Product Variety
- Rapid Scale Up
- Process Understanding

Cost Accounting

- Lean Accounting
- Actual Costs
- lbs./Btu

Lean/6-Sigma

- Waste Reduction
- Variability Reduction
- Process Optimization

Quality & Boaulaton, Control







Supply Chain



Engage stake holders to really understand needs and opportunities!

Information Services

- Security
- Reliability
- Service Costs

Marketing

- Consumer Satisfaction
- Promotions
- First to Market

Asset Reliability

- ROCE
- Reliability
- Efficiency-Energy

Engineering

- ROCE
- Reliability
- Efficiency-Energy

Finance

- Budgeting
- Cash Management
- Cost Containment



Establish Design Principles

- Deploy easy to use applications that deliver targeted information to key users to drive proactive actions and generate bottom line results.
- Invest in highly flexible and scalable platforms that enable open sharing of information across the entire





Understand your guiding principles and stick to them!

integration.

- Deploy targeted applications to deliver information anywhere, at any time, on any device.
- Maintain a competitive service delivery cost structure.



Overcome Technical Challenges

System Variety

• Multiple solutions deployed to meet MES and control requirements.



Use the power of the PI System to overcome technical challenges!



User Variety

- Workforce with varying knowledge, skills and abilities.
- Large diverse set of stake holders.

Security Risks

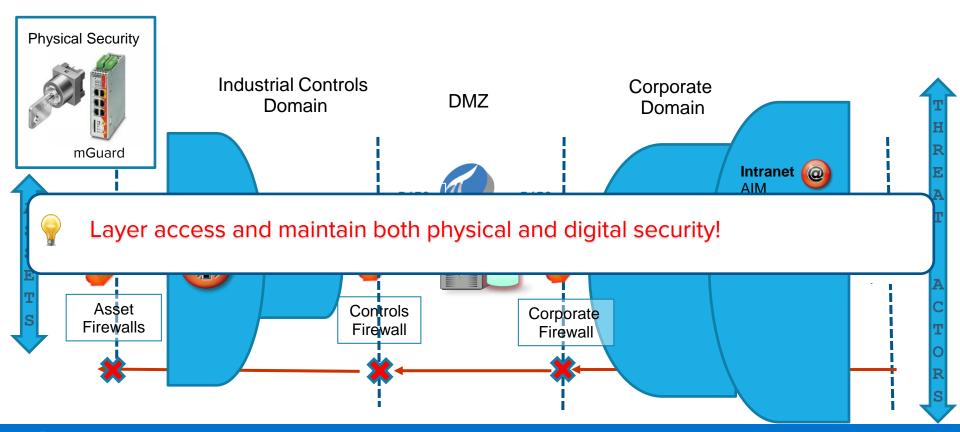
- Limited Industrial Controls Network infrastructure.
- Increasing convergence of enterprise and control networks.

Hershey's Architectural Solution





Hershey's Security Solution



Structure Data – Asset Framework (AF) Asset Models

- Provides flexible hierarchical structures with reusable object templates.
- Enables the standardization of applications

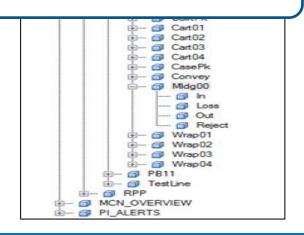




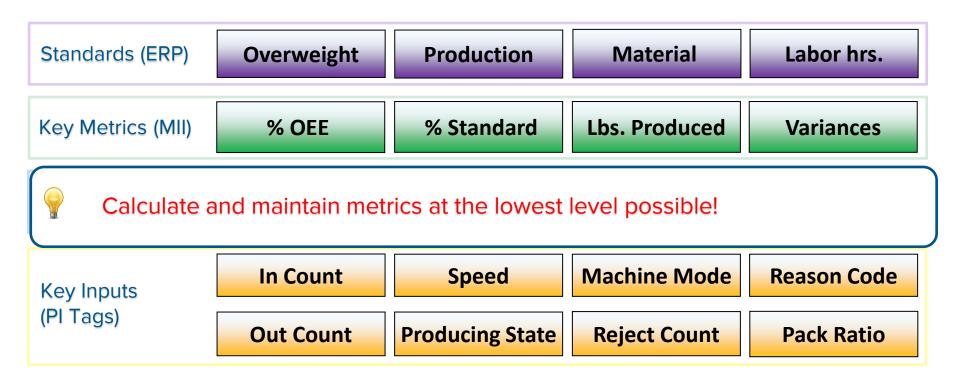
and raparting

Fully leverage AF to build flexible, scalable and configurable data structures and calculations!

- Supports integrated event and schedule based calculations and rules.
- Easy to expand as new requirements arise.
- Supports open integration with a full SDK.



Define Key Performance Indicators





Hershey's Asset Intelligence Solution – The PI System



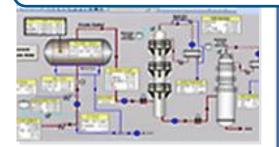
This is the layer where Engineers and Maintenance personnel focus...

When information is provided to



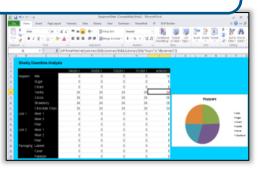


Fit the tool to the task!



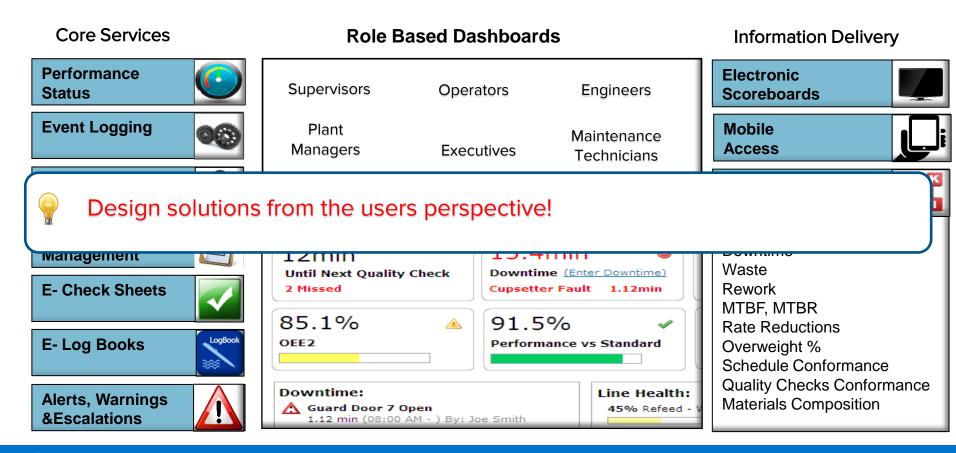
PI ProcessBook

resulting in quick actions that benefit the entire organization.

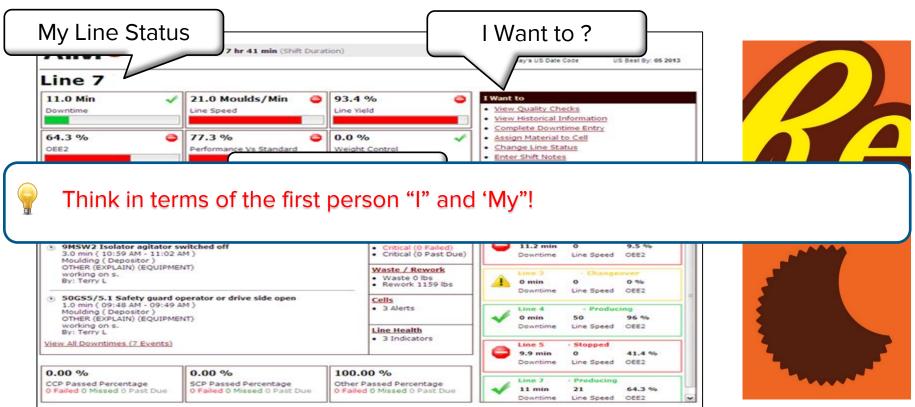


PI DataLink

Hershey's Manufacturing Intelligence Solution - MII

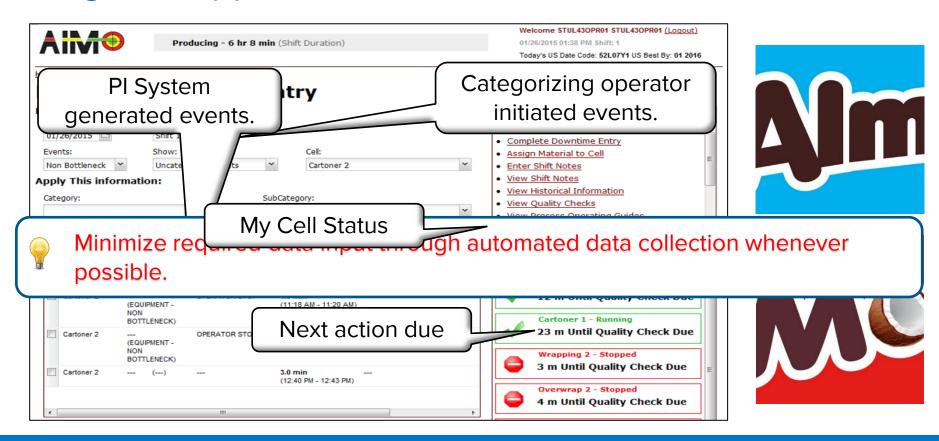


Operator Production Management Cockpit



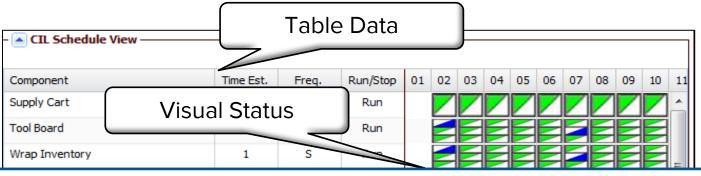


Targeted Applications – E-Downtime





Target Application – E-Clean/Inspect/Lube





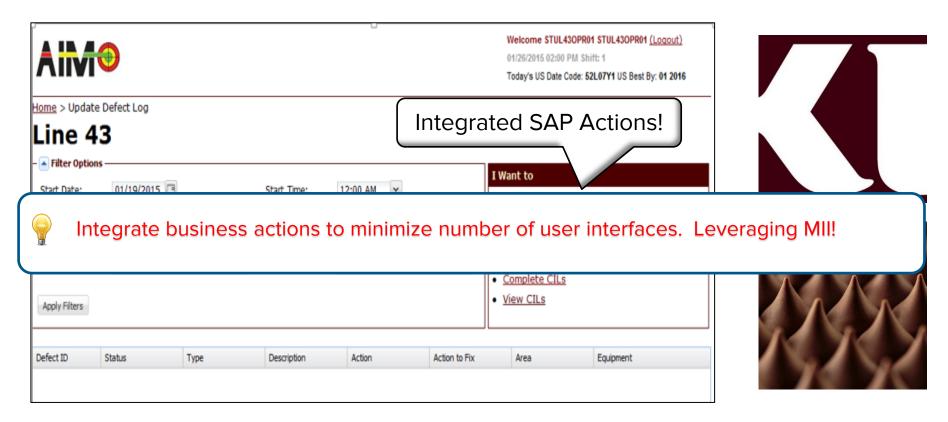


Strive to provide graphical and visual data views. A picture is worth 1000 words!

Crimper Vacuum	1	W	Run	
Conveyor Infeed Belt Leg # 2 MC43069	1	S	Stop	
Conveyor Metering Belt # 1 Leg # 2 MC	1	S	Stop	
Conveyor Metering Belt # 2 Leg # 2 MC	1	S	Stop	
Metal Detector Leg # 2 XX43011	1	S	Run	
Conveyor Inspection Leg # 2 MC43074	1	S	Stop	→



Targeted Actions – E- Defect Logging



Target Applications- E-Operating Guides



Producing - 6 hr 11 min (Shift Duration)



Process Operating Guides

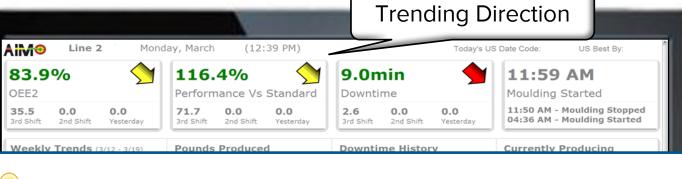


Electronic documentation provides operators with most current "How To" direction!

- ⊕ ☐ Section 5: Cleaning
- <u>■</u> □ Section 6: Changeover
- Section 7: Troubleshooting
- <u>→</u> □ Section 9: Job Description
- <u>→</u> □ Section 10: Document Management



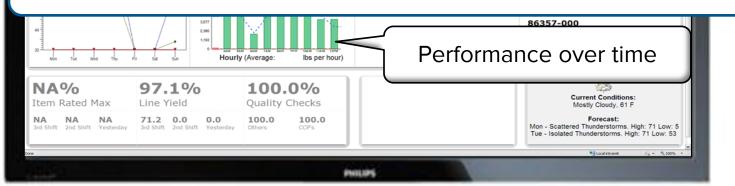
Performance Summary Scoreboards





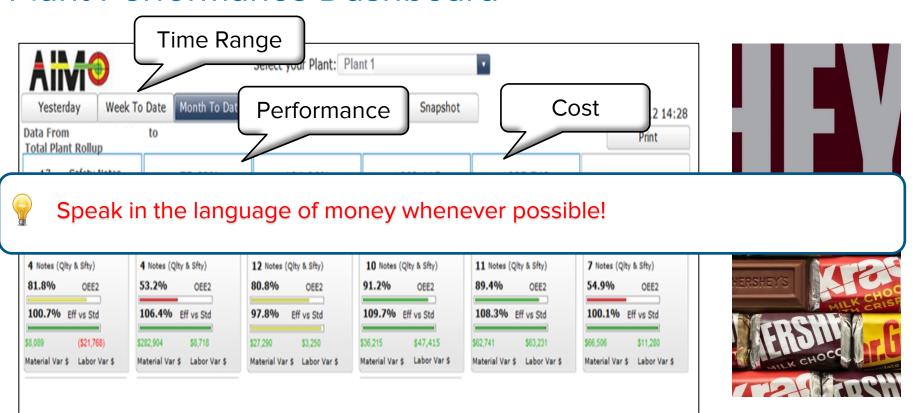


Trends are more useful than single data values!





Plant Performance Dashboard





Mobile Line Performance









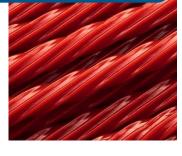


Mobile is no longer optional. Keep it simple!









Sweet Results!

Post AIM implementation results after 3 years.

Breakdown & Maintenance Repairs

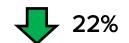






Measure and publish results to maintain momentum and continued investment!

Quality Losses





Ongoing Innovation

- Ongoing Expand the Asset Framework
- 2015 Changeover Management (PI Events)
- 2015 Cleaning and Sanitation Management





Up front investment in highly flexible, open, configurable and scalable architectures provides agility for continued value generation at incremental cost.

- 2016- Add industrial network, systems and controls status monitoring. (PI System Monitoring)
- 2017- Batch Intelligence (PI Events & PI Batch)



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The Hershey Company



Questions

Please wait for the microphone before asking your questions

State your name & company





IHANK Y()[]

Help your plant come together with Pl.