Repair and maintenance of machinery and equipment ensure smooth production flow

How Shwe Sakar Co. Ltd. managed to overcome bottlenecks in production capacity

Regular maintenance of machinery and equipment at Shwe Sakar was practically non-existant. Unused sewing

machines were stored in the production area and partly in a separate storage room. None of these unused machines were covered to protect them from dirt and dust; nor were they serviced or repaired.

In case of a sudden machine break down in the sewing lines or an unexpected requirement to increase the production capacity, stored machines needed to be cleaned and adjusted first to make them ready for production. This hampered the production flow and led to bottlenecks and, in the worst case, stopped the entire production.



Quick facts about Shwe Sakar Co. Ltd.

Founded: 2011

Total Number of employee: 857

Office Staff: 28

Production Workers: 839 Ownership: Myanmar Production Mode: CMP

Sewing Machine: 9 production

lines

Product Range: Jackets, pants, blouses, polo-shirts, suits, T-shirts

and children wear

Production Capacity: 143 000 pcs./month for ladies pullovers

Markets: Japan and South Korea

Smart Myanmar along with an international expert from ESGE suggested to develop a servicing schedule to ensure that machines in operation as well as unused machines are maintained at regular intervals. Stored machines are to be covered to protect them and oiled to prevent rust formation and thus, keep them operational and ready for use at any given time. This ensures that the production unit is flexible and fast in replacing defect machines or setting up additional machines.

Maintenance



Storage



Secured capacity

Within only 20 days the mechanics serviced all unused machines; oiled, adjusted and covered them. They are ready to serve as a backup. Shwe Sakar now has the flexibility to quickly set up additional machines to increase capacity or replace defect machines in a significantly shorter time than before.

Generally, mechanics are lacking basic technical education. The mechanics informed the consultants that their existing knowledge is acquired from "learning by doing" and passed on from

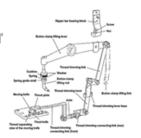


generation to generation. Due to lack of knowledge mechanics are often not aware of the causes of a defect and end up disassembling the equipment or removing parts. This is not only time consuming but also leads to abrasion and increased wear and tear of parts which in turn makes it necessary to replace them more often. High consumption of spare parts is the result.

International expert Mr. Löffler from ESGE conducted a practical, hands-on training of mechanics in the factory. Furthermore, he suggested to avail of all training opportunities offered by machine suppliers in order to gain full knowledge of available machine functions and construction as well as maintenance and handling requirements. Mechanics shall also educate themselves by downloading the "Engineer's Manuals" from the machine and equipment suppliers' homepages.



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After the training the mechanics downloaded the engineer's manuals for most of the machines and kept them as hard copies for using them in their daily work. In addition to that the mechanics implemented a book keeping system to monitor expenses for spare parts.

Response

"I am really satisfied because now I have detailed knowledge of each machine and know how to handle all of them"

Shwe Sakar Co. Ltd. also participated in the "Social Compliance Academy" of SMART Myanmar. As part of the "Social Compliance Academy" conducted by Systain Consulting on 11th and 12th November, SMART Myanmar visited the factory with the experts of Systain Consulting to give advice on social standards. It was found that working conditions were not in line with international social standards, nor did a social compliance policy exist. After joint assessment of the working conditions and based upon the findings of their walk-through the social standards expert drafted a Corrective Action Plan (CAP) jointly with the management. The management of Shwe Sakar acted fast and implemented 13 out of 19 suggested improvement measures within ten weeks. The implementation of the remaining 6 measures is in process.

Smart Myanmar's suggestions in the context of its Social Compliance Academy concerned the following topics:

Current situation Nov. 11 th 2015	1 st follow up visit Jan. 1 st 2015	2 nd follow up visit Jan. 19 th 2015	
Child labor			
Child labor policy	In process	Done	
Health check for new workers	In process	Done	
Management process			
Labor contracts	In process	Done	
Human resource procedure	Done		
Resignation policy	Done		
Health and Safety			
Fire extinguisher signs, check list	Not all completed	Done	
Clear evacuation escape route, signs	Not all completed	Done	
Canteen	Done		
Working hours			
Working hours policy and over time	In process	Done	

Remuneration (incl. benefits)			
Annual leave	Done		
Freedom of association			
Suggestion box	Done		
Discrimination			
Trainees no contracts and insurance	In process	Done	