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## Higher productivity and continuous improvement, with support from EU4Business



([http://www.eu4business.eu/files/stories/shutterstock\\_268287014.jpg](http://www.eu4business.eu/files/stories/shutterstock_268287014.jpg))

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**With funding from the European Union under its EU4Business initiative, the European Bank for Reconstruction and Development (EBRD) has helped UBC Promo, a manufacturer of promotional materials from Ukraine, to introduce principles of 'Lean Manufacturing' into its production process, improving productivity by 89%.**

UBC Promo was founded in 2000. Initially employing only five people, the company started its activity with the production of pantry carts – "UBC Furniture". By 2002, the business employed 150 people. New products were started under various small associated companies and in 2004 the company purchased its first production facilities. The associated companies created a 'holding brand', called UBC Promo.

UBC Promo now seasonally employs up to 1,100 people and has three

operating units: UBC Towers, making stainless steel beer dispensers; UBC Light, making illuminated signage, and UBC Promo, which produces promotional furniture, tents and umbrellas.

As the company grew, the EBRD stepped in with its Advice for Small Businesses (ASB) programme, connecting UBC Promo with Nigel Southway, a Canadian who brought a wealth of North American and Asian manufacturing skills from over 20 years' experience in manufacturing around the world.

He worked closely with UBC Promo's senior management over the course of two years, focusing on improving production efficiencies and reducing delivery times.

### Lean Manufacturing

'Lean Manufacturing' is based on the principle of continuous improvements to a production process. The introduction of lean concepts encouraged UBC Promo's management to invest €200,000 in process improvements. The investment has so far delivered cost savings of over €500,000, a 250% return on the investment.

As part of the EU4Business support, the EBRD adviser:

- Assisted UBC Promo to undertake better supply management plans for the availability of key materials such as raw wood due to the seasonal nature of the business.
- Provided recommendations on manufacturing process layout improvements for each process area.
- Helped the company focus on customer demand issues as order-specific information details.
- Drafted design for manufacturing guidelines and meeting formats and new business development plans to support future customer needs.

In total, 13 projects were defined as moving UBC Promo towards full Lean Manufacturing, with three more defined for the future. All of the original 13 have been completed, looking at plant layout, process flexibility, Design for Manufacturability, performance measurement and shipping logistics.

Over the course of the project, UBC Promo has increased its productivity by 89% and turnover by over 40%.

### EBRD Advice for Small Businesses

The EBRD Advice for Small Businesses programme (<http://www.ebrd.com/knowhow>), funded in the Eastern Partnership countries by the EU under its EU4Business initiative, aims to promote good management in the SME sector by providing assistance to individual enterprises, helping them to grow their businesses. It supports SMEs to make structural changes and develop new business skills, helping them to thrive and compete in market economies. The programme also enables SMEs to access local consulting services on a cost-sharing basis by providing grants of up to €10,000.