

## PROFILE OF CAKE PLANT

Company Name: Eti Gıda San. ve Tic. A.Ş./ Cake Plant

### 1. Organization Profile:

#### 1.1. ETİ Group



Figure 1.1. View of Eti Group Plants

Eti Group, with a total revenue of 1.255 billion \$/year, is one of the biggest food producers in Turkey. Eti Group produces, sales and distributes 378.000 tons of biscuits, cookies, crackers, cakes, breakfast products, frozen products, chocolate and chocolate bars annually. Eti’s sales and distribution organization reaches up to 210.000 retail points. International sales to 74 countries worldwide accounts for the 17% of annual sales. Eti employs 7.284 white and blue collar workers in Eti Group. Eti Group consistently ranks among the top 100 industrial establishments in Turkey and the last announced rank is 37<sup>th</sup>.

Eti Group consists of 8 food production plants. Biscuit Plant, Chocolate Plant, Cake Plant, Bozüyük Plant, Cracker Plant, Grain Processing Plant, Milk Products Plant and Romania (Craiova) Plant. In addition, Eti has a Machinery Plant. The Machinery Plant is established to develop and adopt cutting edge technology in-house. Eti Marketing and Sales, is located in İstanbul, serving the global marketing and sales activities of Eti.

**1.2. Eti Gıda Cake Plant Profile**



Figure1.2. Eti Gıda Cake Plant View

Cake Plant has started to produce with one production line in Eskişehir Industrial Zone, in 2005. Today, Cake Plant has 55.000 m<sup>2</sup> closed area, 13 production lines, 125.300 ton/year production capacity, 988 employees and 248 SKUs. Cake Plant assists 25,1 % of ETİ’s products and 24,7 % of ETİ’s exportation. 25 % of ETİ’s revenue comes from Cake Plant.



Figure 1.3. Eti Gıda Cake Plant Layout

### 1.3. Eti Group Organization

Eti implemented a new organization in Europe, in order to extend its export activities by the strategy of GLOBALIZATION. The updated organization chart is shown in figure 1.4.

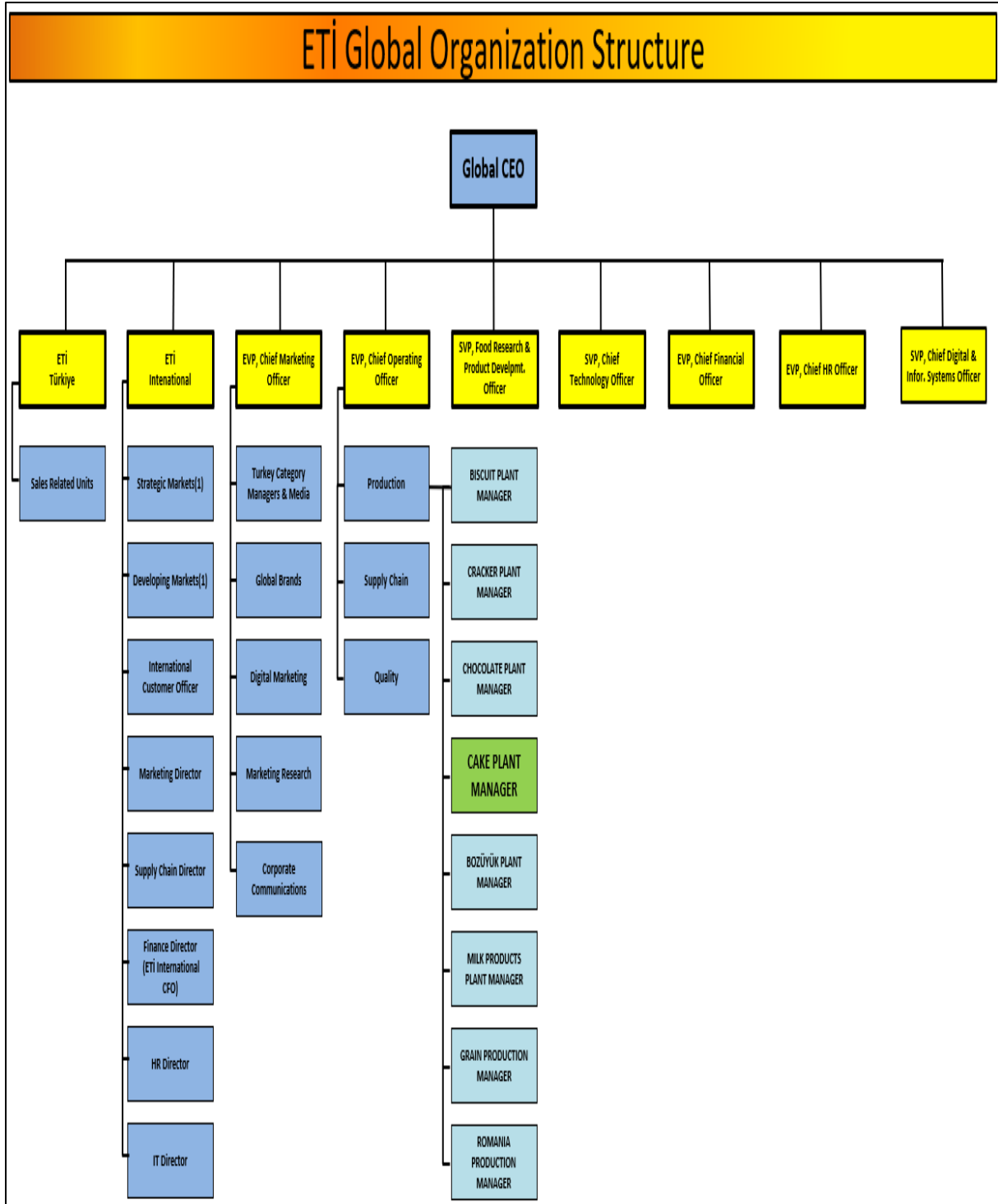


Figure 1.4. Eti Group Organization

## 1.4. Main Products

Eti Gıda Cake Plant has 248 SKUs. Our product range includes 12 brands indicated below. All the products and SKUs are Topkek, Popkek, Browni, Paykek, Süt Burger, Sos Bom, Pastamia etc. brands.

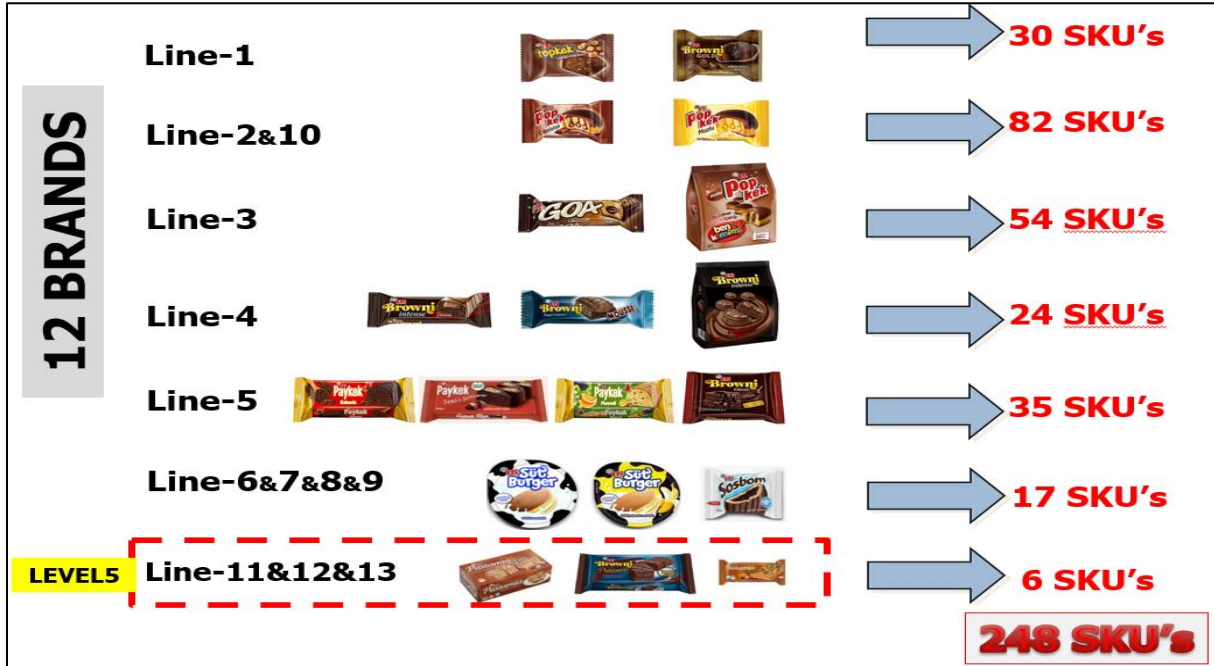


Figure 1.5. Products of Eti Gıda Cake Plant

In addition, we group our products according to the number of components that they are composed of. In this respect we have four types of products. Definitions of the types of products and sample figures are shown in the figure 1.6.

Components Number	Definition	Sample	Figure
One Component	Plain Cakes	Topkek Kakolu Fındıklı	
Two Components	Filled Cakes	Topkek Portakallı Süt Burger	
Three Components	Coated Cakes with Chocolate Sauce	Popkek Kakaolu	
Four Components	Coated Plus Decorated Cakes with Sauce	Browni Intense	

Figure 1.6. Definition of Product Types of Cake Plant

### 1.5. Production Flow

Eti Cake Plant has 13 production lines. Each production line has similar process flows consisting of major operations but their production parameters are different (capacity, product weight etc.)

Production Flow																				
	LINE-1 Other Components	LINE-2+10 Tray Components	LINE-2+10	LINE-3	LINE-4	LINE-5	LINE-6-7-8-9	LINE-11-12-13												
	✓	✓	-	✓	-	-	-	-	✓	-	-	-	-	-	-	-	-	✓	-	✓
	✓	✓	-	✓	-	-	-	✓	✓	-	✓	✓	✓	✓	✓	-	-	✓	✓	✓
	✓	✓	-	✓	-	-	-	✓	✓	-	✓	✓	✓	✓	✓	-	-	✓	✓	✓
	✓	✓	✓	✓	-	✓	-	✓	✓	✓	✓	✓	✓	✓	-	-	✓	-	✓	✓
	✓	✓	-	✓	-	-	-	-	✓	✓	✓	✓	✓	✓	-	-	✓	✓	✓	✓
	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	-	-	-	✓	✓	✓	✓	✓	✓
	✓	✓	-	✓	-	-	-	-	-	✓	✓	-	-	✓	-	-	✓	✓	✓	✓
	✓	✓	-	✓	-	-	-	-	-	✓	✓	-	-	✓	-	-	✓	✓	✓	✓

Figure 1.7. Production Flow

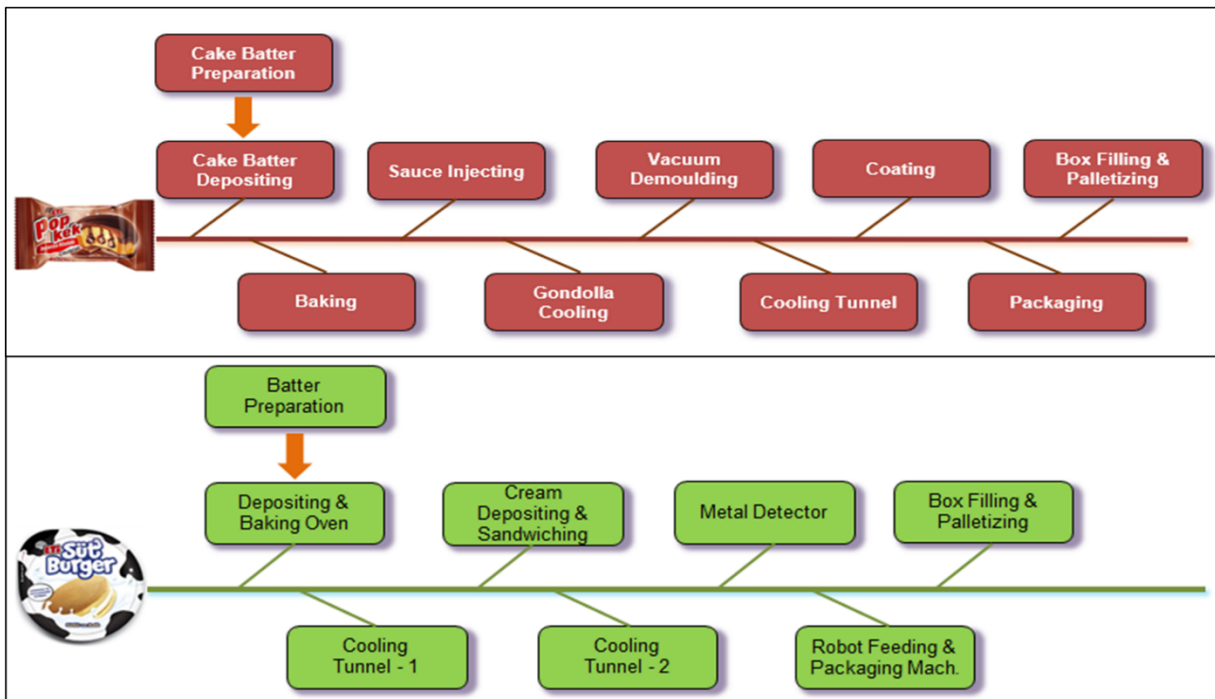


Figure 1.8. Production Flow of Popkek and Süt Burger

## 2. Milestones on the Journey of Manufacturing Excellence

May 2006	: Establishment of TPM Promotion Office
May 2006	: Decision to apply JIPM for guidance
May 2006	: Formation of the TPM Committees
Jun 2006	: "Introduction to TPM" trainings
Jun 2006	: Autonomous Maintenance kick-off in 1st Production Line
Feb 2008	: First Visit of JIPM
Jan 2009	: Application for "Award of TPM Excellence – First Category"
Jun 2009	: Pre-Assessment of "Award of TPM Excellence – First Category"
Nov 2009	: Final-Assessment of "Award of TPM Excellence – First Category"
Jan 2012	: Application for "Award of TPM Consistency – First Category"
May 2012	: Pre-Assessment for "Award of TPM Consistency– First Category"
Nov 2012	: Final-Assessment for "Award of TPM Consistency– First Category"
Jan 2014	: ETI Cake Plant applied for the prestigious TPM award of JIPM, "Special Award for TPM Excellence"
Jun 2014	: Pre-Assessment for "Special Award for TPM Achievement".
Dec 2014	: Final-Assessment for "Special Award for TPM Achievement".
Jan 2017	: ETI Cake Plant applied for the prestigious TPM award of JIPM, "Advanced Special Award for TPM Achievement"
Dec 2022	: TPM Relaunch
Jan 2023	: Eti implemented a GLOBAL organization, in order to extend it export activities by the strategy.



Figure 2.1. First Visit of JIPM



Figure 2.2 An Operator and Member Board are Posting F-Tags during Kick-off on August 2006



Figure 2.3 Koizumi San is Examining the Pilot Production Line.



Figure 2.4 Final-Assessment of "Award of TPM Excellence – First Category- November 2009 (Mr. Eiji O'SHIMA - Mr. Yoshitaka MURASE )



Figure 2.5 Final-Assessment for "Award of TPM Consistency – 2012 (Mr. Masayoshi SUGIURA & Takashi EMURA)



Figure 2.6 Final-Assessment for "Special Award for TPM Achievement – 2014 (Mr. Masayoshi SUGIURA & Mr. Hiroshi TAKANO & Mr. Takashi UEDA)



Figure 2.6 Final-Assessment for "Advanced Special Award for TPM Achievement – 2017 (Mr. Masayoshi SUGIURA & Mr. Hiroshi TAKANO & Mr. Shigenobu NOMURA)

## 2.1. Chronological Progress

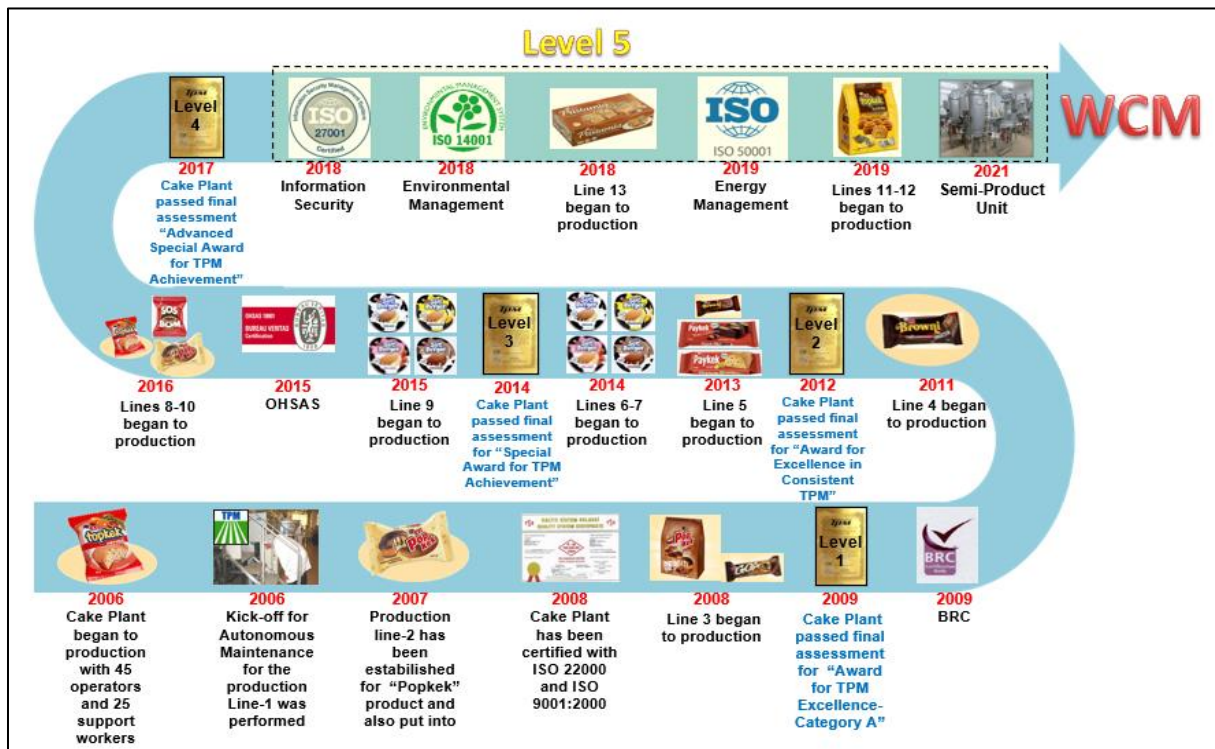


Figure 2.6 Chronological Progress

## 3. Benefits Achieved

### 3.1. TPM Effect from Overall Management Viewpoint

When we have launched TPM at the end of the year 2002, we were looking for means to inspire our people to deploy their problem solving capacity towards achieving our targets and goals. We were utterly aware that ever increasing wave of globalization was fast reaching to our shores in Turkey. Gone were the days of enjoying a nearly unchallenged position in domestic market which was duly shared with an aggressive yet predictable local rival. Turkey's economic integration with European Union and rest of the world presented both a challenge and an opportunity. Anticipating incoming global competition, we, as ETİ's management team, have started exploring the right approach that can prepare ETİ for the future. During our search we came across TPM and JIPM. At once, we recognized TPM's potential and decided to implement it in ETİ under the guidance of JIPM. After three years of hard work, we are observing the effects of improvements and change triggered by the implementation of TPM in our organization.

We have seen ETİ's sales keep growing amid increasing competition. We are and have been closely observing the new trends in the market and ever changing customer expectations. Introducing superior new products is and has always been ETİ's priority. ETİ Group, to enhance its ability of developing successful products even faster and more efficiently, has been reorganizing its new product development processes since 2005. TPM's early management approach has been our guide during our reorganization. New processes and organizational structure were introduced in



November 2006. We expect to keep introducing ever increasing number of successful new products in the future.

We realize this is only the beginning of a long, rewarding journey that requires sustained hard work. We are determined to follow the path of TPM under JIPM’s guidance towards world class excellence.

**3.2 Tangible Effects of TPM**

Results	Way of Improvement 	Unit	2006	2023	Development Ratio (%)
			(Starting TPM)		
Man.hour/ton		INDEX	100	68	32
OLE			100	105	5
Breakdowns			100	67	33
Major Accidents			100	50	50
Customer Complaints			100	90	10
Unit Product Cost			100	85	15
Rework			100	37	63
Scrap			100	84	16
Suggestion			100	575	475
Energy			100	93	7

Figure 3.1. Tangible Effects (This table contains 13 lines values)

**4. Keys of our Manufacturing Excellence**

ETI Way is the main philosophy for company management and it gives guidance for ETI’s industrial journey.

By this philosophy, we have constructed an integrated system, based on the value from the consumer point of view, while keeping up the increase in quality with the optimum costs and prices.

In the scope of this philosophy, we focused on the whole value chain, with all employees’ participation which contains coordination of all the departments of ETI and suppliers.

In the scope of ETİ Way, we focus on six main elements, which are Innovation, Value Creation, Respect for Environment and People, Operational Excellence, Accountability and Adaptation to Change

We want to become a smiling organisation with smiling people. Respect for Environment and People is very important in this sense.



Figure 4.1 Eti Way

Above in figure 4.1 you will see the elements of Eti Way. They are attached to each other, making in combination the values of Eti. Looking deeper to these values that make up Eti Way, the values are described as follows;

**INNOVATION:** “Innovation in all areas” is the motto in ETİ. This concept is divided into product and process innovation activities in participation of employees and even suppliers, which improve ETİ’s position in business and leads to increase our quality, profit and growth.

**VALUE CREATION:** Eti increases its *competitiveness within the company to keep the high level of quality, profitability and sustainability*. The target is to maximize the value created, in which elimination of losses and non value added activities have utmost importance

**RESPECT FOR ENVIRONMENT AND PEOPLE:** Eti is a smiling organisation with all employees and a leading company with environmental and social responsibility.

**OPERATIONAL EXCELLENCE:** The basic element of ETİ Way is to increase our excellence in our operations by adapting the best in class methodologies in all our operations including, production, quality, safety, R&D, technology, logistics, purchasing and marketing & sales

**ACCOUNTABILITY:** Accountability is an essential part of all activities performed in ETİ, among all departments, employees, customers and suppliers

**ADAPTATION TO CHANGE:** Eti is a adaptive company, that can flexibly adapt to volatile economic, social changes  
With these elements, we aim to create value continuously, while monitoring all trends about sector and items of business. In the following part, Eti Operation System will be explained in detail.

#### **4.1. Aim of Eti Cake Plant**

Aim of Cake plant is to provide customer satisfaction by focusing on freshness and maintain sustainable growth in global market.

#### **4.2. Future Plans**

- Achieve "World Class Manufacturing for TPM Achievement" and continue with TPM under JIPM's guidance
- Expand TPM activities to down stream and up stream operations (i.e. suppliers, distribution etc.)
- Achieve Zero Accident to do more effective risk analyses and improvements and increase our employees' conscious level
- Continue to share our experience and knowledge with the general public (universities and industry)
- Expand "Lean Philosophy" total TPM activities
- Establish and improve "ETİ WAY"

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