



OVERVIEW

Celestial Seasonings, the largest seller of specialty teas in the United States, uses PMC to increase operating efficiency, reducing the number of breakdowns and the cost of parts, while ensuring that tea-manufacturing and packaging equipment runs smoothly.

MARKET

Food Process
Manufacturing

PRODUCTS

PMC

Celestial Seasonings, the largest seller of specialty teas in the United States, had its beginnings in 1968 when 19-year-old founder Mo Siegel started gathering wild herbs in the forests and canyons of the Rocky Mountains and made them into healthful teas.



Since then, Celestial Seasonings has grown tremendously both at home and internationally. The company now offers more than 70 different flavored teas and beverages in distinctively colorful packaging. Despite its growth, the company's mission remains the same: to create and sell superior, healthful, naturally oriented products that "nurture people's bodies and uplift their souls."

Equipment changes as company grows

In the early days of the company, employees placed hand-picked teas into hand-sewn muslin bags. Today, Celestial Seasonings employs a wide variety of equipment to process tea. Four primary production lines, each with 12 machines, plus another four smaller lines, a milling department, and a blending department, are all automated.



Additional equipment in the tea-packing area includes box machines, tea-bag machines, box-closing machines, overwrap machines, and case packers, as well as robots that take the cases and put them on pallets. Employees take great care to ensure that they meet the company's goal of producing only the highest quality teas.

PMC accomplishes what no manual system could

Ken Palas, planner and scheduler of the maintenance department, is responsible for ensuring that everything runs smoothly during three tea-making shifts each day. He relies on PMC, a computerized maintenance management system (CMMS) from DPSI. "I had used an earlier version of DPSI's CMMS, in a previous job. Since it worked so well I brought it with me to Celestial Seasonings," says Palas.

Palas explains that company management charged him with the task of creating a maintenance parts and labor system, and with providing daily, weekly, and monthly reports on both equipment and employees. "They wanted to measure scheduled maintenance, unscheduled maintenance, breakdowns, and monthly cost of inventory," he says. "It's just the kind of information PMC's reporting module was designed to produce."

Palas uses several PMC modules to keep equipment running smoothly and to ensure that management stays informed:

- *Purchasing.* Palas turns requisitions into the purchasing department, which is responsible for placing the order. PMC provides full vendor contact information, as well as ordering information for the specific items needed.

DPSI Corporate
1801 Stanley Rd. Suite 301
Greensboro, NC 27407
Toll-free: 800-897-7233
Phone: 336-854-7700
Fax: 336-292-9878

<http://www.dpsi.com>

DS 029.082813

Case Study: Celestial Seasonings®

- **Inventory.** Palas and his staff of 12, who cover all three shifts, use the inventory module to track parts they use regularly — especially components that break down frequently, such as blades and knives. The mechanics sign out any parts they use, and Palas updates the system once every 24 hours. When inventory of a particular part hits a set minimum number, Palas re-orders. “Our parts come from Italy, so we have to purchase them three to four months in advance. That requires a lot of planning,” he notes.
- **Work Order.** At the end of their shift, mechanics complete a daily log specifying which machines they’ve worked on and what adjustments were made. Within 24 hours, Palas enters the information into PMC and creates work orders. He identifies each incident as a breakdown, scheduled maintenance, or unscheduled maintenance.

“Each day I input the previous 24 hours, all shifts,” Palas says. “Then I can create a work order labor summary report listing the work order and hours per employee. My manager can see what each employee worked on, or even which employees were on or off that day.”
- **Preventive Maintenance.** PMC helps Palas schedule preventive maintenance on a weekly, monthly, quarterly, six-month, and yearly basis. “Sometimes we use the manufacturers’ suggestions, and in other cases the mechanics’ input. If certain problems bother us throughout the week, we might modify the existing schedule to take care of it.”

Preventive and Predictive Maintenance

Because Palas and his crew can’t perform preventive maintenance during the week (machines at Celestial Seasonings run 24 hours a day, Monday through Friday) the crew performs preventive maintenance on weekends.

“With PMC we’ve collected enough data that I can now automatically predict what parts need to be replaced on a yearly basis,” adds Palas. “I buy those parts three or four months in advance, and then during our slowest production time frame we’ll take a line down to replace those parts.”

“Preventive maintenance has cut our costs,” states Palas. “Not so much over the first year, but three to four years later you have a much more efficient operation. We have fewer breakdowns and our parts cost is reduced.”

Cleanliness adds to the bottom line

In trying to become more efficient and continually improve processes, Palas and his staff have looked at similar companies to determine best practices for the industry. He has found that preventive maintenance and cleanliness were high on the list in well-run shops. “If you keep your machinery clean and do regular maintenance, it runs better and you reduce breakdowns,” says Palas.



“At Celestial Seasonings, we look at cleanliness and preventive maintenance as a benefit, not an expense,” he adds, noting that information from PMC helped Celestial Seasonings reach this conclusion. “Even the work our cleaning crews do is in PMC. They have a checklist that includes everything from wearing special clothes to throwing rags away at the end. This all adds to the bottom line.

“I really like PMC,” Palas concludes. “If I didn’t have it, I’d never get to go home because there are so many things I couldn’t get done without the program. I’m very pleased with it.”

(Since the date of this interview, Ken Palas has retired from Celestial Seasonings.)

Photos courtesy of Celestial Seasonings