CITY OF FORT WAYNE 6σ

Street Light Inventory Reduction

Six Sigma Project Overview

PROBLEM

The overall level of inventory stored to maintain our street lighting infrastructure seems high relative to material usage.

SOLUTION

Initially established a database to begin collecting information on variables deemed to be important by the project team. Eventually implemented a Kanban inventory control methodology.

SAVINGS

The City has realized a one-time savings of over $500,000 as the level of carried inventory has fallen from $750,000 at project inception to $275,000 as of December 2005. Increased efficiencies are being realized on an on-going basis through the establishment and documentation of improved standard operating procedures and the implementation of cycle counting.

Savings

Monthly value of street lighting inventory continues to fall. At project inception, $750,000 of inventory was stored in the warehouse. As of Dec 2005, $275,000 of inventory is on-hand.

Factoid

The use of Six Sigma demonstrates the City's commitment to innovation and continuous improvement. The goal is to enhance government performance.

Six Sigma Team

Rick Orr, Project Leader/Blackbelt
Greg Meszaros, Project Champion
Dave Pepper, St Light Warehouse
Nate Parker, St Light Warehouse
Steve Davis, Department Manager
Phyllis Davis, St Light Engineering
Lori Dekoninck, St Light Warehouse