

CASE STUDY: Rio Tinto Energy America

Mining Operation Realizes Impressive Cost Savings from Better Employee Stewardship of Safety Glasses

CUSTOMER NAME: Rio Tinto Energy America
LOCATION: Cordero Rojo Mine, WY
INDUSTRY: Power Generation (Mining)
MATERIALS MANAGED: : PPE consumables

CRIBMASTER SOLUTION: ToolBox

Challenge

The Cordero Rojo Mine, operated by Rio Tinto Energy America (RTEA), produces millions of tons of coal per year. In active work areas, all employees are required to wear safety glasses. To promote their use, the mine at first simply stocked the glasses on a shelf, readily accessible to everyone at the site.

With a new pair always available, however, employees saw little need to use their safety glasses more than once. Contractors also took advantage of the free supplies, instead of providing their own stock as required by their contract. The result was a culture of excessive inventory consumption, with no easy way to hold workers accountable.

To guard against the continually rising costs of safety supplies, and to prevent stockouts that could negatively affect production, management sought a solution focused on improving employee stewardship.

Solution

Working with the CribMaster team, RTEA found the perfect inventory management solution in the CribMaster ToolBox. The ToolBox offers secure, single-item dispensing to provide by-name accountability and reduce waste.

Before employees can retrieve safety glasses from the ToolBox, they first use a card or PIN for authentication. When the ToolBox dispenses the glasses, it logs the item and employee details to the connected database. Now, each time a worker receives a new pair of glasses, the CribMaster software instantly records the transaction to ensure accurate inventory counts and per-employee usage rates.

Results

After implementing the ToolBox solution, Cordero Rojo has seen:

- 78% reduction in item waste
- Savings of \$5,000 per month
- Employees opting to reuse glasses instead of throwing them away after each shift
- \$30,000 ROI in 6 months (figure reflects only safety glasses)
- 13 issues per day, compared to 59 previously

The clear savings and improved employee responsiveness encouraged RTEA to find more uses for the ToolBox. The flexible configuration options for the ToolBox allow the mine to issue more safety supplies and other consumables, further decreasing costs and enhancing inventory management. Cordero Rojo is now able to reconcile what suppliers are billing with what the ToolBox is issuing, and the mine has eliminated back stock.

With assistance from CribMaster, the management team at Cordero Rojo has reduced costs while establishing effective inventory control and employee accountability.

"We have taken a positive step towards a culture of accountability." – Cordero Rojo Mine Employee



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