



Case Study: **KELLETT GROUP**

Using Diver[®] Platform to Turn Losses into Gains



Quick Facts:

Organization: the Kellett Group

Industry: Bed and spring manufacturing

Revenue/Turnover: €20 million

Employees: 185

Solution: Diver® Platform

Website: www.respabeds.ie

KEY TAKEAWAYS

- Diver Platform provided the Kellett Group with insight into problems they knew they had but couldn't pinpoint exactly.*
- Diver helped the Kellett Group go from more than six years of continuing losses to profitability within 12 months.*
- After implementing Diver, the Kellett Group was able to increase turnover by 34% and expand its workforce by 37%.*

BACKGROUND

The Kellett Group is a family-owned business that was founded in 1947 and is based in Oldcastle, Co Meath, Ireland. It is the largest bed and spring manufacturer in Ireland.

The company sells more than 90,000 mattresses, 35,000 divans, 20,000 headboards, and 500,000 spring units every year under the brands Respa, Sleeptight, and Springcastle.

THE CHALLENGE

Like many companies in Ireland, the Kellett Group experienced more than six years of continuing losses in a difficult economic climate following the recession in 2008. When Sean Browne joined the Kellett Group as Finance & Operations Director in 2013, along with a new management team, he found a proud, traditional company, full of people working extremely hard, often putting in hours of overtime, just to try and keep the company afloat. Yet the bottom line was still nose-diving. The business struggled to return to profitability. A company restructure resulted in a 10% increase in sales, but overall losses continued.



THE GOAL

The Kellett Group's management team decided it needed more information to figure out what was going wrong. "We had some major challenges, not least of which was uncertainty as to whether every job produced was being invoiced to the customer, as reconciliation of data from all the production floors was manual and time-consuming," says Browne.

THE SOLUTION

Dynamic Business Informatics (DBI) implemented Dimensional Insight®'s Diver Platform for the Kellett Group in 2014. "Within a few days of using Diver we already had our return on investment," says Browne. "We could automatically bring together all of the information we were looking for."

Diver extracted data from the Kellett Group's Pegasus Opera system, allowing the decision-makers to immediately see the problems the company was facing. They could dive down on the information that was showing them where changes needed to be made.

"We discovered that we had actually sold fewer mattresses than previously estimated, and that a proportion of our biggest customers were causing our biggest losses," says Browne. "We were losing money every time we took an order! We found that our own brands were actually competing against each other, forcing prices down."

THE RESULTS

- Diver Platform provided the Kellett Group with clear, actionable insights that resulted in a return to profitability within 12 months.
- Turnover (revenue) increased by 34% and is close to pre-recession levels.
- The company's workforce increased by 37%.
- The Kellett Group is now using Diver in all aspects of its business for instant analysis and simplified decision-making.



WHAT'S NEXT

The success the Kellett Group experienced with Diver quickly led the company to use it to develop a sales action plan and a daily production schedule to monitor progress. Diver has helped the company coordinate production scheduling, so it has avoided stock-piling the wrong products and has saved money in terms of huge overtime costs.

LESSONS LEARNED

"I'm 25 years in business" Browne says, "and I can categorically say that Diver was without question the best business investment decision I have ever made."



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