



# final report

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## **MAR red meat program relationship manager**

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# 1 Background

Machinery Automation & Robotics Pty Ltd (MAR) is a successful designer and integrator of automation solutions servicing manufacturing companies in sectors like food production, pharmaceutical, automotive, aerospace, beverages, pharmaceutical, etc. They operate primarily in the Australian market, offering tailored automation solutions to the industrial sector, but also have international aspirations, with significant international projects completed or underway.

The adaptive nature of MAR core competencies, its flexibility and its initially modest but at the same time scalable approach towards automation made from MAR the perfect vehicle to relaunch a red meat automation program in Australia that had suffered from past significant failures.

MLA has had a relationship with MAR since 2003, fostering its involvement in the red meat industry, supporting MAR's work as a means to bring automation to the sector, and encouraging further development in this space.

MAR and MLA have identified a main strategic space for MAR to operate in, given MAR's capabilities and skills around the integration of robotics solutions for beef and sheep slaughter processing. Since collaboration between MAR and MLA, a number of projects have been facilitated through MLA Donor Company contracts.

The strategy began to deliver results, mainly for sheep, with at least 5 working production prototypes in processing plants like CRF, Peel Valley and Burrangong Meat Processors.

The continued success of automation projects relies on systems that support innovation, project management and appropriate skills for ongoing maintenance.

Many red meat processing plants engaged in automation projects are mid-sized companies and have limitations on their internal project management and maintenance resourcing. A fundamental objective of MLA is building this capability inside meat processing plants. However, ensuring that companies supplying the Australian red meat industry possess this capability is also essential to building long lasting relationships within the industry.

Lack of capability in areas such as planning, scheduling, project management and maintenance within companies can, and has, lead to projects running late, not delivering the desired outcome due to inadequate attention and budget overruns.

This project was to build capability within MAR to ensure a high level of service is maintained for the Australian red meat industry. This initiative with MAR is complementary to the Collaborative Innovation Strategy program that a number of red meat processing plants participate in.

## 2 Project objectives

The objectives of the project were to;

- Reduce project delays to a minimum, with a target of 80% of installations completed on time.
- Budget overruns do not occur
- Project reports are delivered to a high standard
- A risk assessment is conducted for every project and this is communicated and agreed with MLA
- Any significant project issue is raised by the MAR red meat program relationship manager to MLA
- An Enterprise Project Management (EPM) system for meat automation projects is created inside MAR

It was anticipated that this approach would assist in the following areas;

- Better communication between MAR, participating sites and MLA.
- Participating sites are supported to better plan, schedule and manage installation of MAR automated processing technologies.
- Early warning system for when projects are likely to go 'off-track", ensuring that the need for contract variations and other measures are flagged well in advance.
- Provide a professional and wider view when technical staff, both from the provider and the processor side, become too immersed in the project and are unable to identify a wide range of options to resolve technical issues.

## 3 Results and discussion

The MLA/MAR red meat program relationship manager was employed in late 2009 and at the end of this contract the position had shown a number of positive improvements including;

- Improved communication between MAR and MLA, as well as with processing plants participating in installations. This streamlining of communication was related to the single point of contact at MAR that all parties involved were directed to.
- The relationship manager has successfully applied an improved management methodology to all MAR red meat industry projects, again benefiting from the single point of contact model. This has also led to significant reduction in milestone slippage, with the major delays caused by construction at one site, forcing a variation for that particular contract.

The relationship manager produced monthly reports that reviewed progress and the finances of each project, these reports were the basis for monthly MLA/MAR meetings and were seen as an essential aspect in maintaining clear communication between all parties involved in the projects.

During this period and at the time of writing, the status of projects was as follows,

- Four projects completed early
- One project was completed according to schedule
- Three projects are running ahead of schedule
- Two projects are running according to schedule
- Two projects have been varied to reflect delays due to site construction
- One project is pending participating site signature

## **4 Conclusions and recommendations**

The introduction of a relationship manager at Machinery Automation & Robotics (MAR) has successfully reduced the number of issues arising in large long timeframe automation projects with Australian red meat processing companies.

Development of capability, in project management, innovation and maintenance, within Australian red meat companies and companies that provide services to the industry is key to sustaining a dynamic industry in Australia. It is anticipated that these skills and processes that have been modified to suit the needs of the Australian red meat industry will remain in MAR and become integrated in to MAR dealings with processing plants. Processing plants that build their own relationships with MAR will also obtain benefit and opportunity to learn these same skills through working with MAR on automation implementation projects.

This contract covered and co-funded the first 12 months of the MAR red meat program relationship manager. Upon successful completion, the contract has been extended another 12 months although on a 60:40 ratio (60% funded by MAR, 40% by MLA). Once the extension is completed (late 2011), MAR will keep in place and fully fund the red meat program relationship manager, as part of its dedication to the Australian red meat automation program.