



# Festo Brasil

Standards sustaining engineering and manufacturing excellence

Festo Brasil is the Brazilian subsidiary of the German company Festo, a world-leading provider of pneumatic and electric drive technology, integrated systems, and services for factory and process automation. Festo Brasil is one of the group's largest companies and manufactures a wide variety of products for the Brazilian market and for export to other Festo subsidiaries and to the parent company.

**Company name:** Festo Brasil

**Country:** Brazil

**Industry:** Industrial automation equipment

**No. of employees:** 503

**Revenues/profits:**

BRL 239 million/N.A.  
(USD 143 million/N.A.) (in 2010)\*

**Main products/services:**

Over 40 000 products, from valves to complex industrial automation equipment, used in all important sectors of industry: automotive, food, packaging, plastics, electronics, etc.

**Main use of standards:**

- Engineering
- Procurement
- Production

**Most important standards used:**

- ISO 9001:2000, *Quality management systems*
- ISO 14001:2004, *Environmental management systems*
- OHSAS 18001:2007, *Occupational health and safety management systems*



- ISO/TS 16949, *Application of ISO 9001 to the automotive industry*
- VDA 6.4, *Quality management system for equipment suppliers in the automotive industry*
- Many other materials, testing, product and design standards developed by ISO, DIN, EN, SAE, UL, AISI and others

**Economic benefits generated by standards:** BRL 4.5 million (USD 2.7 million) annually, which amounts to 1.9% of sales revenues.

**Key qualitative benefits:** Standards are considered an essential component of good engineering and manufacturing practices, with a potential that has not yet been fully exploited.

## **What were the major benefits for Festo Brasil of using standards?**

Using standards allowed Festo Brasil to:

- Implement an efficient procurement process resulting in significant work savings
- Save around 30% in its purchase operations by buying standardized supplies
- Optimize the design times of its engineers and shorten time to market
- Improve communication between different technical departments in the company
- Implement a company-wide continual improvement process that streamlined manufacturing and brought significant savings

## **How did standards lead to these benefits?**

As an innovative company with a focus on high-quality sophisticated equipment and the ability to customize equipment to user needs, Festo Brasil uses standards in all its key business processes. Using standards in procurement and focusing on the purchase of standards-based parts saved around 30% in costs. Procurement, which makes up around 80% of the quantitative gains, is the function which benefitted most from standards. Due to clever use of advanced standards, the design time of engineers, as well as the overall project time, could be reduced, allowing new or customized products to reach the market within a shorter time frame than otherwise possible.

A thorough implementation of ISO 9001, combined with organizational, managerial and technical improvements, was the driver behind the increased quality and productivity in manufacturing, allowing Festo Brasil to become a world-class producer for a significant part of Festo's global portfolio.

\* BLR 1 = USD 0.57163 (2010-12-31)