CASE STUDY #123

Copper Value Chain Optimization and Transformation

ABOUT THE CLIENT

Industry	Integrated Copper Mining & Production
Revenues	$8 billion
Employees	35,000
Location	Eastern Europe
BOS Service	Operational Transformation

Key Challenges
- Transitioning from state ownership to private ownership and operation.
- Creating Western-style profit and loss statements.
- Identifying operational and financial improvement opportunities.
- Preparing the enterprise for privatization and a future share flotation.

Why Consultants Were Selected
- Delivery via Kearney.
- Previous operations transformation successes.
- Prior experience with privatization preparation.
- Specialty in heavy industry restructuring (metals, mining, energy and infrastructure).
- Expert staff in Poland.

Project Scope
- Construct Western-style profit and loss statements.
- Assess operational and financial improvement opportunities.
- Assist in restructuring during the IPO.

Project Approach
- Interviewed senior management.
- Toured mining and operational facilities, including underground mines, smelting operations, extrusion facilities, and distribution warehouses.
- Benchmarked performance against Western standards and best practices.
- Developed initiatives to maximize performance and enterprise value ahead of share flotation.

Financial Benefits Realized
- Operational improvement opportunities brought the company from a loss to a profit.
- Plan to achieve savings and extended international market reach.

Operational Benefits Realized
- Monthly financial visibility through conversion to Western-style financial and managerial reporting standards and methods.
- Readiness for private ownership and operation.