

ZERO ERROR STRATEGY

A supplier to major automotive manufacturers which must adhere to strict shipping standards with a zero error strategy has streamlined its processes and increased quality

Stabilus is a manufacturer of gas springs and as a supplier to major automotive manufacturers it must adhere to strict shipping regulations. This and its own high quality standards are the motivation behind its zero error strategy in shipping. AEB's ASSIST4 global trade and logistics suite has enabled the enterprise to streamline its shipping processes and steadily increase quality. Most shipments are destined for clients in the automotive industry who have the strictest shipping guidelines when it comes to the right packaging, labelling, and choice of load device.

ZERO ERROR STRATEGY AT PACKING STATION

One of the challenges lies in the different guidelines issued by the various manufacturers. Failure to adhere to these risks a negative rating, often with far-reaching consequences: a supplier that is downgraded from A to B is no longer eligible to bid on future contracts.

"We decided to introduce double-scanning at our packing stations," says shipping manager Berthold Wichterich. "This means that the packer runs one scan before the ASSIST4 software prints the label and delivery note and then confirms this after the label has been affixed to the package by rescanning the barcode of the newly affixed label and comparing it to a scan of the bin location label."

"We've had only a single error since we introduced double-scanning and that occurred because a packer set aside the label rather than affixing it right away," explains Achim Nolden, IT administrator for ASSIST4. "Implementing this zero error strategy costs more time but has had a profound effect on the quality of our shipping processes."

"A customer recently remarked that he had never seen such a watertight system," confirms Wichterich. "We feel that this increased quality pays for itself over the long term. We have worked with AEB over the years to customise ASSIST4 so precisely to our needs that we've been able to optimise the quality of our packing and shipping processes."

PHOTOS IN PACKING STATION APPLICATION

A key customisation has been adding photos to the packing station application.

"Before, you had to know whether the label was affixed to the long side or short side of the transport container," explains



Wichterich. "Automotive manufacturers keep changing their specifications; ASSIST4 provides a photo and an exact description of where the label is affixed."

The picture shows the exact position of the label on the load device, whether a cover is required and the selected load device is correct. Paying attention to these details is important as automotive industry specifications are getting increasingly complex. Even the same manufacturer may have different requirements based on the receiving location. Stabilus customisations were implemented in the IT-supported shipping processes and in load device management. Strict rules imposed by the automobile manufacturers pertain to the load devices used to ship the parts and these are complex: Stabilus uses 400 different kinds of containers. Some 40% of the load devices used for transport by Stabilus belong to the customers while a further 40% are leased from external service providers and 20% actually belong to Stabilus. The proper load device is specified in individual agreements with each customer. Transport tests determine which load device works best for a particular customer. A packer using the wrong box, a missing cover, the wrong label on customer-specific packaging: all of this can have a negative effect on a supplier evaluation.

"In the past it was hard to keep track of which load devices belonged to whom, where they were located and whether they were full or empty," says Wichterich. "We didn't notice right away if a customer failed to return a container.

If the goods are in the right container the goods issue is posted and the load device account of the customer debited at the same time

The problem came to a head only when we started running out of load devices and were unable to supply other customers. In addition, customers only let us keep the load devices for a certain period without paying a fee. So it was in our interest to know exactly how many containers were available or in use."

CURRENT CUSTOMER STATUS

Stabilus has separate load device accounts showing the current status of each customer. These have to be matched to the customer since automaker T uses different steel crates than automaker D while automaker A uses only gray boxes and automaker O only blue, etc. When the load devices belonging to a particular customer arrive ASSIST4 registers their receipt. When a production order is pending the head of production requests the appropriate container. Marion Karscht who is responsible for organising load devices reserves the number of pallets or boxes that she needs. The forklift operator then receives the order to set aside a certain number of containers for customer XY.

After the production order has been packed it is posted in ASSIST4 during the final check in shipping. A plausibility check ensures that the container is the right one for the customer.

"If the system reports that no load device account is defined for this customer the transaction is stopped," Wichterich explains.

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"Planning and managing customer specific packaging is much simpler thanks to the load device management of ASSIST4," concludes Wichterich. "Over the years we've developed new functionalities together and steadily improved load device management. Today we have a sophisticated tool at our disposal that lets us know how many containers are available and how many are in use by which customers. With misallocations consigned to the past we are able to focus on improving overall shipping performance."

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