Logistics & Manufacturing

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Key figures

- Number of product groups: 10
- Number of manufacturing units: 20
- Number of distribution units: 7
- Number of suppliers: 3,000
- Number of people: 3,950
Organized to meet market demands

Customer → Distribution unit → Component unit → Supplier

Supplier → Supply unit → Customer

Supply unit

Component unit

Distribution unit
Business concept Equipment

- Innovation
- Cost-effective
- Customer relation
- Delivery performance
- Product quality and performance
Designing & Optimizing the Supply chains

Balancing between parameters

Costs

Availability

Capital
Organized to meet market demands

- Customer
- Supply unit
- Distribution unit
- Component unit
- Supplier
Genuine spare parts distribution

- Spares 24-48 hours
- Emergency delivery service
- > 95% spares service level
- 24 hour Hot Line
Distribution Network

Distribution Structure 2004

Americas

Europe

Asia
Distribution Center, Indianapolis

400 orders per day
1,500 orderlines per day
75% delivered the same day as the order is received
20,000 item no in stock
Product supply agreement

PC/DC

Follow Up Corrective Actions

Product Supply

Product Supply Agreement

End User

Market Requirements
Weekly measurements

Key Performance Indicators (KPI)

Here you can find the Key Performance Indicators (KPI) for all Alfa Laval Manufacturing sites and Distribution Centers.

If you have any questions please contact:
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Logistics
(Updated every Tuesday)

- Availability & Delivery Development (.xls)
- Delivery Accuracy Confirmation Dev (.xls)
- Delivery Accuracy Request Dev (.xls)
- Gross Inventory Development (.xls)
- Inventory Development (.xls)
- STAR GOAL (.xls)

Manufacturing
(Updated every Wednesday)

- Delivery Accuracy Summary (.xls)
- Delivery Acc per Manufacturing Site (.ppt)
- STAR GOAL
Delivery Accuracy Logistics

W27, 2004, 10 weeks rolling average = 93.8 - YTD = 91.4

Goal >95%
Organized to meet market demands

Customer

Distribution unit

Component unit

Supply unit

Supplier
Organized to meet market demands

Customer

Distribution unit

Component unit

Supplier

Supply unit
Kolding, Denmark

- Delivery accuracy above 95%
- 60 orders per day
- Delivery time: Fast track 5 days. Normal 10-15 days
- 2,800 variants = high flexibility
How to increase competitiveness
Overall objective

- Cost
- Availability

Customer value
World Class Journey

Performance

Development phase

1 2 3 4 5

Short term focus

Supply focus

Process stability

Breakthrough improvement

Operational excellence

World class

Best in class

Six Sigma

5S
Improvements

Continuous improvements

Break through improvements

Cost/Availability vs. Time
Supply chain

- Supplier process
- Logistics process
- Manufacturing process
- Sales order process
- Product range
- Market requirement
- Forecast
Six Sigma

- A methodology and framework for eliminating “defects” in all business processes
- Alfa Laval logistics and manufacturing have decided to use the concept for continuous improvement and are in the rolling out phase
Summary

- Global presence
- Market-oriented and competitive structure
- Further development