

Overseas Automotive Parts Supplier Supplying JIT Sequence Parts to US Automotive Assembly Plants



Challenge: A leading automotive parts supplier, with manufacturing in South Korea, needed to provide JIT in-line vehicle sequence parts delivery to 3 different automaker's United States automotive assembly plants. The extended supply chain was very complex to manage, with the point of origin being 6,000 miles and 15 time zones away making reliable just-in-time in-line vehicle sequence parts delivery very difficult.

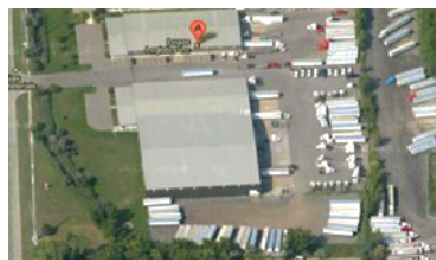
Solution: Logos Logistics helped the supplier analyze their alternatives, develop a network strategy, and build a business case for significant changes to their transportation and distribution operations. The changes included the site selection and design of new distribution center operations located in proximity to the US automotive assembly plants. Logos Logistics operates the transportation and distribution center including: container devanning, quality inspection, unpack and repack into customers returnable containers, just-in-time sequenced parts delivery to US assembly plant and returnable container management. During the repack process Logo's transfers the part from the original packaging to the automaker's returnable container. Each piece must be properly placed in the container so the robot at the assembly plant can pick up the part. Each completed container is weighed to verify the correct amount of parts have been loaded before shipping.

Results: The new replenishment model provides reliable delivery to the assembly plants, so that critical parts are available when they need them. On-time shipments have increased from 60% to 100%. Part deliver errors have decreased from 3% to 5%. Cost for transportation and distribution cost have decreased by 6% year over year. With Logos Logistics' help, this automotive parts supplier is making their transportation and distribution operations into a competitive advantage.

About the Solution Provider: Logos Logistics is a supply chain management firm helping companies with complex transportation and distribution operations meet customer promises and competitive challenges profitably. We develop a solid business case for change and hold ourselves accountable to those results. Our expertise spans supply chain strategy, third party logistics, asset-based truckload service, freight brokerage, warehouse and distribution center operations, international logistics services and logistics systems integration.



Parts Supplier



Logos Logistics Distribution Facility



Automotive Assembly Plant