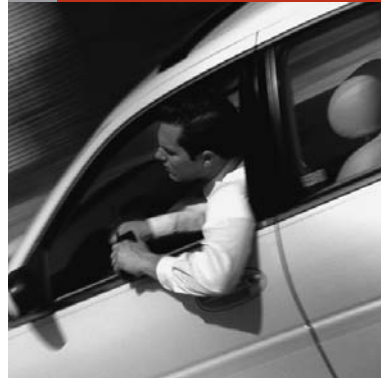


SAP Customer Success Story



The **Brose Group**, a worldwide supplier to the automotive industry, is setting standards in just-in-sequence (JIS) production. Each component reaches the customer at the right time, in the right sequence, and in the appropriate version. Based on the industry solution SAP® for Automotive, JIS processing is being implemented at various **Brose** locations in line with its global rollout. The result: inventory levels are never overstocked, processes are leaner, and customers enjoy customized configurations.

brose
Technik für Automobile



BROSE GROUP

JUST-IN-SEQUENCE SOLUTION WITH SAP FOR AUTOMOTIVE SUPPORTS LEANER, MORE COST-EFFECTIVE MANUFACTURING PROCESSES

Automobiles are no longer developed and assembled by the manufacturer in their entirety. In today's market, the majority of components and parts come from suppliers who are also taking responsibility for an increasing number of tasks in production, development, and logistics, which were previously owned by the manufacturer.

That's where the core competencies of the Brose Group come into play as a worldwide supplier to the automotive industry for window regulators, door systems, seat adjusters, and closure systems. The Brose Group has approximately 7,000 employees involved in developing, designing, producing, and supplying highly intelligent mechanic and electronic systems in 26 locations across the world. The business volume of the Brose Group more than doubled to €1.8 billion from 1996 through 2002, and this growth was accompanied by a significant expansion in just-in-sequence (JIS) production.

To make sure that the assembly process runs efficiently, the right components and assemblies must always be in the right place at the right time or as the industry calls it just-in-time (JIT). Another aligned process is just-in-sequence (JIS) delivery, which takes into account the correct sequence of components. In a highly complex manufacturing process that can include over 5,000 individual parts to make up a car, integrating JIS can make a significant difference in process control.

For this reason, Brose began production using SAP for JIS processing in 1999 at its first plant; now production plants are being put into operation virtually in series. This has been made possible by the standardization of the IT environment, which began approximately three and a half years ago with the implementation of SAP® R/3®.

“In light of our rapid growth, our heterogeneous IT environment was no longer able to meet our demands, especially as we opened new locations,” says Christian Ley, department manager of the logistics central application system at Brose. Brose’s international orientation meant that only a global IT partner would be considered – and one with proven know-how and a mature integrated solution. “We knew when we decided on SAP that we had found a partner that understands the automotive market. We rely on a partner that is open to innovation, not just for JIS production, but also to implement other new processes, such as e-commerce, or sequenced delivery schedules for the supplier,” Ley explains.

SAP Consulting provided first-hand knowledge of SAP solutions. This decision proved to be strategic:

“Through the close cooperation between SAP Consulting, product development, and support, we now have an IT solution that secures our investment in the long-term,” explains Uwe Herold, Brose IT manager.

JIS USING SAP FOR AUTOMOTIVE

JIS was originally implemented as a pilot project at a new plant in the Brazilian city of Curitiba. The pilot project set the standards for the whole company, because in this plant, one solution was able to map all processes for the first time. Christian Ley says:

“We wanted to implement an integrated and flexible JIS solution,

which was capable of handling multiple languages.” Other locations were to profit from the IT architecture tested in Curitiba. Today, this architecture is the master prototype for all other roll-outs. The aim was to create a best-of-breed solution for the rapidly expanding supplier. Therefore, Brose and SAP joined forces to develop a tailor-made JIS module. This module is integrated in SAP for Automotive, which for Curitiba includes SAP solutions for sales and distribution, materials management, production planning, quality management, financial accounting, and controlling.

Ley explains why this software is especially suited to be the basis for the worldwide implementation of JIS processes: “It is up-to-date, flexible, and standardized.”

The master prototype developed in Brazil is now being rolled out systematically at the individual production plants. “Visualize our prototype as being modular,” says Ley. “If we build a new plant or migrate to an existing one, we have approximately 100 maximum processes to choose from. We combine these according to a standardized plan.” The master prototype contains numerous processes for the purchase order

alone – from the Internet purchase order for office material to the procurement of serial parts. The characteristics that are specific to each customer or country determine the maximum processes that are chosen in the end, or whether additional development is required.

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Christian Ley, Logistics Department Manager

BROSE AND SAP: JOINT EFFORTS LEAD TO OUTSTANDING ACHIEVEMENT

Brose and SAP employees jointly developed the prototype under the project management of SAP Consulting. The SAP consultants provided implementation support and process consulting, which also covered technical queries, and carried out end-user training. Thanks to the project experience of the SAP specialists, the project adhered to schedule and budget. Christof Lutz, SAP project manager, says: “Our consultants and the Brose experts worked openly, flexibly, and constructively together. In this atmosphere of trust, we created an implementation module that the customer can use as a basis for the long term.” A fixed team of Brose employees is responsible for the implementation project worldwide. This team consists of IT experts and key users, who carry out the analysis and implementation, before familiarizing the users with the processes. “We place a high value on developing know-how internally; after all, our employees have to be able to deal with the system confidently after going live, without having to rely on outside help,” says Ley. Moreover, the IT projects at the supplier provide an opportunity for personal development and employee advancement.

“It is up-to-date, flexible, and standardized.”

Christian Ley, Logistics Department Manager

In the meantime, the implementation team can look back on a run of successes. The rollout strategy proved itself last year with a project duration of six months in Puebla, Mexico. The implementation time in Meerane, Germany, was reduced even further to 19 weeks. The plant went live with the solution in November 2001, and now serves as the model for JIS production at Brose.

KEEP IT SIMPLE

The policy for the Meerane plant is “keep it simple.” Ley explains, “Production is extremely customer-related, and synchronized with the production of the manufacturer we supply.” For example, the assembly of a door system starts at the same time as the pro-

AT A GLANCE

Company Name	Brose Group
Industry	Automotive
Challenge	Improve assembly processes by adopting just-in-sequence methodology
Implementation Partner	SAP® Consulting
Solutions	<ul style="list-style-type: none">■ SAP for Automotive with JIS solution■ SAP R/3®
Implementation Highlights	<ul style="list-style-type: none">■ JIS rolled out globally to Brose plants■ Succeeding rollout implementation times dropped from 6 months to 19 weeks
Benefits	<ul style="list-style-type: none">■ Reduced cycle time, inventory, and operational costs■ Flexible solution that can be individually tailored for customers■ One solution was able to map all processes for the first time

duction of the corresponding vehicle. The call for the doors takes place electronically at Brose. The workers on the assembly line use the printout of the production order as an assembly plan. The required variants of vehicle doors are assembled on four assembly lines and delivered only a short time after completion – a time-critical but extremely lean process. The employees need the SAP system only when a transport rack is completely full to trigger inventory postings and shipping processes. In this way, the production worker’s contact with the SAP system is reduced to a minimum.

Sticking to the essentials is therefore an indispensable ingredient in Brose’s recipe for success. This is true for the individual JIS plants, as well as for the whole rollout strategy, which has the project name “speed”: speed is gained by traveling with lightweight baggage.

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