

Imperial Logistics drives productivity for Mercedes

A contract for logistics services has been awarded to Imperial Logistics group company Resolve, by Mercedes Benz South Africa.



InSync Solutions team

The contract award comes in the wake of the selection of the automobile manufacturer's East London plant as one of only four Daimler AG sites worldwide to build the new Mercedes W205. It will start producing this successor to the C-Class in 2014, with an investment of R5 billion in the new C-Class and the plant between 2011 and 2015, to boost its capacity.

Resolve's MD, Heinrich Strauss comments that the pressure is now on the plant to perform, and to maintain the seamless standards that have earned it numerous quality accolades, including awards from American JD Power and Associates. "The East London plant won JD Power and Associates' Initial Quality Study (IQS) silver awards in 2012 and 2013, gold awards in 2011 and 2009, and platinum in 2010. InSync Solutions, which is part of Resolve, netted this contract for in-plant logistics services on the basis of its ability to deliver on world-class standards and its commitment to developing new logistics concepts in conjunction with the client," he adds.

One such new logistics concept is an electronic Kanban system, co-designed and implemented by InSync and Mercedes Benz South Africa.

Strauss elaborates: "In today's automotive production processes, speed and accuracy in the parts supply processes plays an even more critical role than ever before. The parts supply processes need to be a key enabler in achieving Quality and Productivity objectives, and not merely a support process. The electronic Kanban system integrates the data of the manufacturing processes with the data of the logistics processes to synchronise in real time all requirements of the manufacturing processes with all activities within the part supply processes. With high levels of automation and visualisation of planning and execution information, the e-kanban system ensures increased speed and accuracy of part supply. The e-kanban system in combination with other material handling techniques enable optimal manufacturing conditions while

maintaining low inventory levels. A combination which will help to support the competitiveness of the manufacturing process."

In excess of 400 newly recruited employees will be trained by InSync to prepare them for the challenges presented by logistics processes in an automotive assembly plant. "We are truly excited about the job creation potential and up-skilling opportunity in the Eastern Cape created through this contract," added Strauss.

He further elaborates: "B-BBEE is a business critical, strategic imperative that aligns to the global principles of sustainability. Imperial Logistics leadership has adopted a pro active approach to managing the broader BEE process to leverage this process and derive a competitive advantage - for ourselves and our clients".

InSync's responsibilities in its three year contract with Mercedes Benz SA include the design and implementation of detailed material handling processes, with a strong emphasis on synchronisation and integration between upstream and downstream processes.

The scope of the contract also encompasses the operational planning of supply processes, coordination of the delivery of materials to the Body Shop and Final Assembly processes, ensuring warehouse data accuracy and stock integrity. "By supplying what is needed, when it is needed, and in the amount needed according to actual vehicle requirements, waste, inconsistencies, and unreasonable requirements can be eliminated, resulting in improved productivity for our client," Strauss concludes.

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