



# smARTE3Y FLEX SOLUTIONS DIGITAL

SMARTE STOCK MANAGEMENT

## AUTOMOTIVE

"REAL-TIME OPERATIONAL EXCELLENCE"

# FLEX SMARTER SOLUTIONS

## FLAWLESS EXECUTION THROUGH DIGITAL MASTERY

We will help you to maximise your organisation's Return on operational Assets (RooA). This means that we enable you to operate your assets as effectively and efficiently as possible, while also ensuring they are healthy and safe. In this way, you reduce your operational costs and risks, becoming far more profitable as a result.

We can achieve this through one or more of our six "smARTE solutions" that have been built using a combination of our leading-edge, digital technologies and are focused around our "Real-Time Operational Excellence (RTE)" mantra.



$$\frac{\text{Operating Income}}{\text{Average Operating Assets}} = \text{RETURN ON OPERATING ASSETS} \uparrow$$



# SMARTER STOCK

## OPTIMAL STOCK MANAGEMENT

### What does optimising automotive production mean to you?

Consider the ideal vehicle manufacturing or assembly process. Would it eliminate human error, and improve speed and efficiency? Increase information availability? Would it offer high security and deliver accurate data to the right systems and people at the right time? In most vehicle manufacturing and assembly environments, the challenge is to produce and move quantities of stock quickly with the least amount of handling and in the most efficient and profitable way possible.

Manufacturers depend on a well-coordinated chain of events to make their operations work efficiently and effectively. Today's business software packages, such as enterprise resource planning (ERP), materials management, production control, and supply chain visibility applications depend on real-time, accurate data collection and identification systems to provide information crucial for optimising stock processes, productivity, and profits.

### Optimising the entire automotive value chain

Furthermore, what about the management of the shipping and receiving of components? What about spare parts and tools? And then there's the management of stock in vehicle dealerships, locating this stock quickly, the management of keys, recording test drives, and of course the servicing and maintenance of vehicles.

All of these operational processes across the entire automotive industry value chain require quick and accurate, unique identification, location, and counting of components, spares, tools, cars, and keys.





# SMARTE STOCK

## THE CHALLENGES:

The following are common operational challenges across the automotive value chain when it comes to components, spares, tools, cars, and keys ("items"):

- Slow and inaccurate shipping and receiving of components.
- No way to uniquely identify and quickly locate items.
- Slow and inaccurate stock takes of items, resulting in:
  - Only one stock item is counted at a time, which is labour-intensive.
  - 60% - 70% stock accuracy, resulting in over- and under-stocking.
- Slow and inaccurate variance resolution.
- No way to accurately track components during staging to identify any bottlenecks or merely to locate where specific components or cars are at any given moment.
- Inability to accurately identify the root cause of shrinkage and waste.
- Ineffective controls and auditability of access to cars and keys.

## THE NEGATIVE OPERATIONAL IMPACTS

Usually, the above challenges lead to the following negative operational implications:

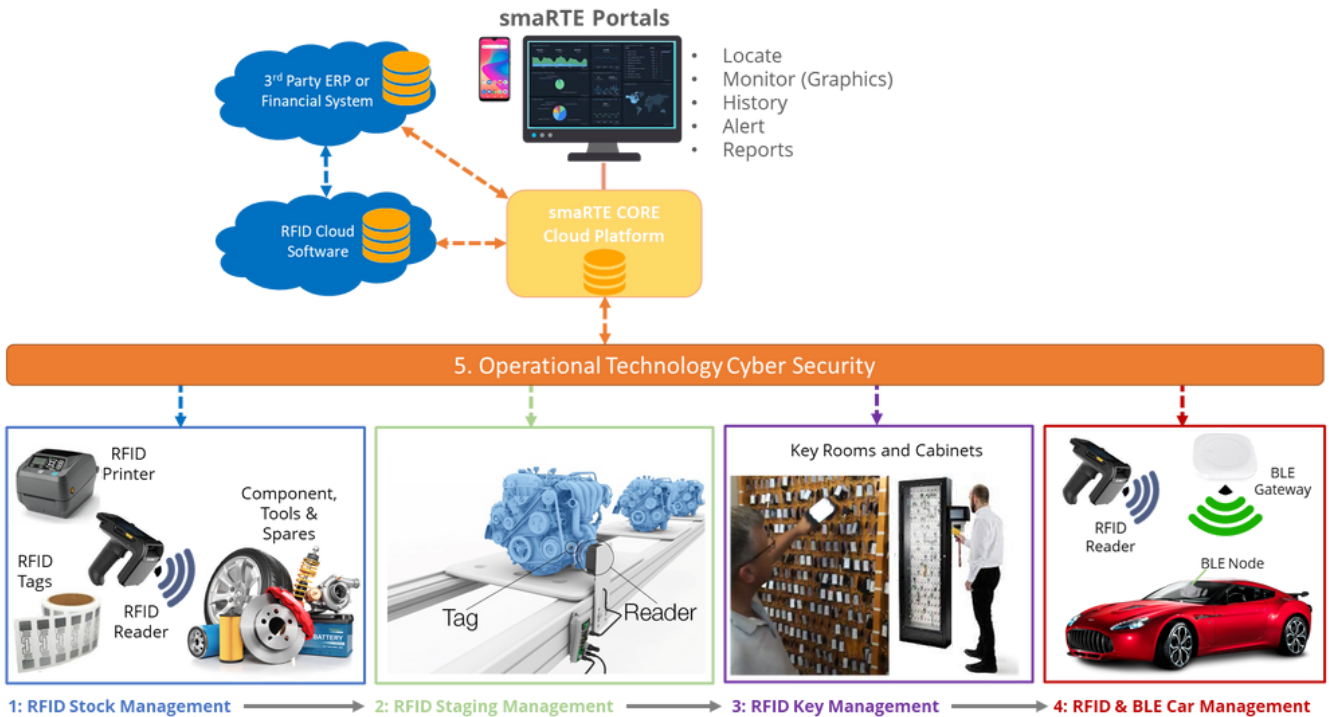
- Receiving, picking, and dispatching error resolution costs.
- Costly labour hours to manually locate, count, pick, receive and dispatch items.
- Purchasing more buffer/safety stock than is needed, which may also lead to waste.
- Not fulfilling an order due to out-of-stock errors.
- Inefficient production lines with poor on-time delivery and order fulfilment.
- Shrinkage/loss due to inaccurate item track-and-trace at factories & dealerships.
- Replacement of lost/stolen keys and cars.





# SMARTE STOCK

## THE SMARTE SOLUTION:



## THE OPERATIONAL BENEFITS:

- Reduce receiving times by **82%** and improve stock-on-hand accuracy to **99%**.
- Reduce variance resolution time by **93%**.
- Reduce time taken to locate items by **86%**.
- **100%** real-time visibility of stock and staging throughout the production process.
- Improve production efficiency by up to **50%**.
- Improve order fulfilment and on-time delivery by up to **24%**.
- Reduce car and key theft and hold staff accountable for any damages.
- Improve real-time visibility and efficiency of the service department.





# SMARTER STOCK

## THE POSITIVE FINANCIAL IMPACT:

- Reduce stock management labour costs by **37%**.
- Reduced stock holding by up to **56%**.
- Free up working capital by at least **25%**.
- Reduced stock shrinkage costs by up to **58%**.
- Improve production costs by as much as **23%**.
- Reduce car and key replacement costs by up to **88%**.

**ROI < 1 YEAR!**

**INCREASE ROOA  
BY 10% OR MORE**

**CONTACT US TO FIND OUT MORE!**



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