



A DaimlerChrysler Company

“Now there are five people dedicated to this process. Without this system we would have needed 15 people or more.”

Steve Walgrave,
Test Services Manager

**Freightliner
Corporation**
Portland, OR

Parts procurement system keeps Freightliner ahead of competition

This truck manufacturer had been trying to track thousands of parts for its prototype truck program manually and was losing control of the process. CTR delivered a system that tracks the specs of each prototype and its component parts through the order, acquisition, and inventory processes.

Situation

To stay ahead of the competition, Freightliner Corporation builds an average of five hand-assembled prototypes per year, pushing the limits of technology with innovative designs that are consistent with their reputation as “the company that does things right.” Approximately 56,000 parts (often unique) per year — or more than 200 parts per day — pass through the Test Center. The company’s procurement department was unable to accurately track new and prototype truck parts.

Critical issues

The procurement department was trying to track new and prototype truck parts manually, but the ever-increasing numbers of these parts made accurate tracking impossible. The failure to maintain accurate records and to procure parts in a timely fashion was causing the company to fall behind in its prototype production schedule. This in turn, interfered with its ability to deliver new trucks on time. “Engineers were generating new specifications every day, and tracking all the parts was virtually impossible,” said Steve Walgrave, Freightliner Test Services Manager. “The job of ordering and tracking inventory was an extremely manpower intensive task. It was critical to automate our parts control process.”

The company needed a procurement system that could accurately track new truck parts as well as the thousands of parts for prototype trucks (whose specifications change constantly). The procurement system also had to be able to generate parts orders accurately and quickly so that the company could meet production schedules.

Solution

The Freightliner Test Center Parts Control System tracks the specifications of each prototype truck and its component parts through the order, acquisition, and inventory processes. It tracks all specification changes and produces ordering information that ensures that the correct new parts arrive at prototype manufacturing facilities in time to meet production schedules. This system not only identifies quantities of parts to be ordered but also specifies the source (existing inventory, in-house manufacture or outside vendor) and the location to which they are to be shipped. It also eliminates the time and cost involved in the daily manual entry of order information into the mainframe when ordering from another Freightliner location. This also speeds up the ordering procedure. Completing the process, the system maintains a parts inventory as well as accounts receivable and payable information.

Results

The company no longer fails to meet prototype production schedules and consequently is able to deliver new trucks on time. The CTR procurement system tracks all component parts as well as the constantly-changing specifications of prototype parts. It also automatically produces orders that ensure the arrival of new parts at the appropriate manufacturing facilities in time to meet production schedules.