PSION TEKLOGIX

CASE STUDY

BMW SOUTH AFRICA

Wireless Solution helps Car Manufacturer's Logistics Management reduce Inventory Levels and keep more Accurate Stock Records

Based in Rosslyn Pretoria, BMW South Africa (SA) produces most of the 3 series BMW's (right and left hand drive) at a volume of approximately 200 units per day. A large percentage of these vehicles (over 70%) are exported to the United States, Australia, New Zealand, Japan, the UK, Singapore, Taiwan, and Germany. An efficient and effective supply chain system is vital to the success of the BMW South Africa.

> *"Our management of the logistics processes has become significantly more efficient. This is due to the fact that the system is very easy to use. The systems' full integration with SAP provides instant inventory and financial record updates occurring simultaneously with the wireless transactions." – Salome Thiart, Project manager for the Inventory and Warehousing at BMW SA.*

The Challenge

Before a Psion Teklogix solution was provided, operators in the logistics process were required to manually capture and input data into a Mainframe system. This process was inefficient, which is why an easy to use system that could integrate to its SAP R/3™ platform, and provide real-time information was required. The ultimate goal was to improve logistics processes by expanding supply chain capabilities to ensure an effective and efficient system was used in the receipt, picking, goods movement and scrap processes.

The Solution

In January 1999, BMW commissioned its new Logistics system using the SAP R/3™ platform in order to improve the management of their supply chain. In addition to the planned SAP R/3™ installation, BMW implemented a Psion Teklogix wireless system, which enabled BMW SA to completely re-engineer its processes. Now, requests for parts supply are simply made by scanning a barcode with a Psion Teklogix handheld. The wireless system then sends the request to the appropriate warehouse, where required components are picked, and a request ticket is scanned to confirm that the movement has taken place. The new wireless solution enables operators in all areas to use handheld scanners to perform stock and other enquiries directly on the SAP system.

The logistics and information system solutions provided by Psion Teklogix consisted of two 9300 Network Controllers, four Radio Base Stations 9140 using Narrow Band technology (due to the size of the plant), fifty 7030I model Handheld Terminals with Integrated barcode scanner, and a NT Server with 9010 PROTOCOL using TekRF middleware for a transparent and performing connection to SAP R/3 modules WM (Warehouse Management) and MM (Manufacturing Management).

The Benefits

The wireless system and its seamless interface with SAP R/3™ allow BMW to prioritize its logistics operations. BMW utilizes just-in-time inventory strategies with parts arriving only when they are needed for production. As a result, inventory levels on the production line have been reduced, stock records are in real-time and are far more accurate, and financial records up-to-date.

According to Salome Thiart, Project Manager for the Inventory and Warehousing at BMW S.A., the new system is a vast improvement. "Our management of the logistics processes has become significantly more efficient. This is due to the fact that the system is very easy to use. The systems' full integration with SAP provides instant inventory and financial record updates occurring simultaneously with the wireless transactions."

"The SAP R/3 system requires a lot of discipline. With Psion Teklogix, we could make sure that all the transactions and confirmations were taking place. We chose Psion Teklogix because they were the only vendor, with good support in South Africa, who could give us a solution which is SAP certified," commented a BMW spokesperson.

PSION TEKLOGIX

CASE STUDY

"We chose Psion Teklogix because they were the only vendor, with good support in South Africa, who could give us a solution which is SAP certified."