

# Inbound Freight Management

## The Challenge:

Our customer is a leading electronics manufacturer whose EMEA (Europe, Middle East and Africa) operation is based in the mid-west of Ireland. Our Hub (the largest SMI Hub in Europe) manages all inbound raw materials (29K pallet locations; 1,200 Kanban locations, 20,000 Part Numbers: 24 / 7 Operation). In order to support this business requirement, Flextronics Logistics had to re-engineer its inbound batch receipt processes to allow for the seamless one piece flow of material from receipt to put-away, increase visibility into the supply chain for both our customer and Flex Logistics and the automation of receiving metrics reporting and capture.

## Flex Logistics Solution:

Utilising 6 Sigma and Lean methodologies, to improve cycle time and reduce/eliminate waste, the Receiving Re-Engineering team developed a process known as Inbound Freight Management. This solution resulted in the:

- Integration of our receiving process within our customers logistics management system. This included messaging to our customers system with status updates at key points within our receiving work flow e.g. Arrived at port, Customs Cleared, etc.
- Introduction of a one step pallet receiving via RF Scanner (previous process included two discrete steps).
- Flow receipting process i.e. pallets can be "put away" in a one piece flow (previous process required all pallets to be received before put-away could begin).
- Significant improvements in cycle time and reduction/elimination of non-value add activity.
- Reduced reliance on paperwork. All receipts systematically pre-alerted with parts and quantities assigned prior to a shipments arrival.
- Introduction of receiving TAKT time (or beat rate). This in turn resulted in the introduction of a visual dashboard to manage receipt progress and resource allocation.
- Dynamic prompting of customers receipt requirements i.e. based on customer profile, the RF scanner program would prompt for specific capture requirements.
- The introduction of Total Quality Control (TQC) checks and forced systematic routing of receipt product.
- All cartons entering and leaving the system are scanned i.e. no manual keying of part numbers or box quantities.
- Systematic capture of all receiving metrics replacing manual based capture.



**Receiving Operator**

## The Results:

- Significant improvement in Time To Receive, Quality and Inventory Integrity performance.
- Significant reduction in time spent in Metrics gathering and reporting.
- Flow receipting process resulting in a balanced process from Receipt to Outbound.

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