State Porcelain Manufactory Meissen

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Optimizing scheduling with DISKOVER

Transparency in the supply chain

Disposition with assistance system

Level of industrial delivery readiness

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At Meissen it has been the program for centuries – individual products of the highest porcelain quality down to batch size 1. But even an icon like Meissen is now in global competition and must adapt to the market's demands for shorter delivery times. In this context, a better sales forecast and sophisticated production control were identified as essential measures. The aim was to significantly accelerate processes and lead times and to increase delivery readiness across the entire portfolio to "Industry Level 4.0". This should increase sales and customer satisfaction and at the same time free up capital tied up in production for investments. By using SCT's DISKOVER software, great progress was made in lead times and inventories and delivery readiness was increased.

Optimize material flow, reduce lead times

Achieving reasonable lead times and thus avoiding waiting times for customers is not easy, because usually the products need **Meissen** sometimes several months until completion. While waiting times for valuable products used to be common, today the 'buy it now' business is a driver. A shorter delivery time is therefore an important lever for higher sales potential.

About Leuze

The State Porcelain Manufactory **Meissen** produces handcrafted luxury of the highest quality. Since its foundation in Dresden in 1710, the manufactory has developed over 300 years from Europe's first porcelain manufacturer to an international luxury and lifestyle brand that is even valued in the motherland of porcelain, China. The creations embody a special beauty and sensuality that goes far beyond purely functional designs and thus become an expression of a special attitude to life.

- 01662 Meißen, Germany
- luxury goods manufacturers
- www.meissen.com

Meissen has as its starting point an order processing system based on Oracle with individual documentation functions for the piecework wages established there. With this system, the process organization of the manufacturing company could be regulated very efficiently.

Meissen however, it was not able to synchronously control the material flow and the associated throughput times and storage levels. In addition to the stocked assortment, order-related batches must be taken into account in production.

To **Meissen** to increase the delivery readiness under the existing circumstances would inevitably have led to high finished goods inventories in the stock range and thus to further undesirable capital tie-up. A solution had to be found that **Meissen** in all its individual processes and data, maps, optimizes and supports in a goal-oriented manner.

Demanding requirements and complexity

Meissen has a range of around 50,000 SKUs (stock keeping units / parts/products kept in stock) that need to be efficiently planned and arranged in multiple stages. In addition, there are complex production steps. For example, the work steps "painting and firing" are repeated with different frequencies depending on the product. Another requirement is the handling of large batches during firing, which has a major impact on the throughput time of each individual product and represents a neuralgic point in the production process.

A solution for **Meissen** should therefore be able to handle several intermediate storage levels in order to better balance the production loads. The production progress would be taken from the established Oracle system.

In addition, interfaces should be provided for sales in order to incorporate data from the order system and, in addition to forecasts, sales information into the planning process.

Ideally, **Meissen** enables production proposals for individual products to be made according to specific rules and across product clusters. With simulation and optimization logic, the planners can keep a better eye on inventory, delivery readiness and total costs.

Visible successes and goal-oriented step concept

Meissen With the introduction of DISKOVER, it was possible to roughly halve the lead time within a set period of one year and to reduce inventories in the finished goods warehouse. The delivery readiness for the entire range in stock increased significantly.

The application of DISKOVER was step 1 was established for the items kept in stock. During this time, the interfaces to the Oracle and order system were adapted and the processes were optimized so that real intermediate storage levels were created.

The products with all their master data and disposition parameters were recorded in the rules. This led to **Meissen** to achieve the desired relief in the material flow and reduction of products in stock.

> "By introducing the DISKOVER software, we were able to halve our manufacturing lead times. It offers us a set of rules at Industry 4.0 level, with which we can plan even our batch size 1 products with continuously optimized parameters."
>
> **Sophia Strathmann**
> Project Manager Scheduling Optimization at **Meissen**

Order-related production flows

After a stabilization phase, step2 order-related production has been integrated. These individual orders are now managed more quickly because the material flow is much more transparent. Overall, the effort required by those involved has been reduced thanks to the new functionalities.

Conclusion – keep it up!

In a further optimization step, capacity planning will be even better integrated with scheduling. For unique products, for example, qualified motif painters are the bottleneck. The comparison between available personnel resources and product-related production capacity should be plannable in scheduling in order to be able to ensure delivery readiness in the long term when resource availability fluctuates.

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