

HELÉN SAVMYR VICE PRESIDENT MP&L

Customer

Oriented

Production

Customer Oriented Production

Short lead-time and high precision

DISTRIBUTION



DELIVERY

SUPPLIER

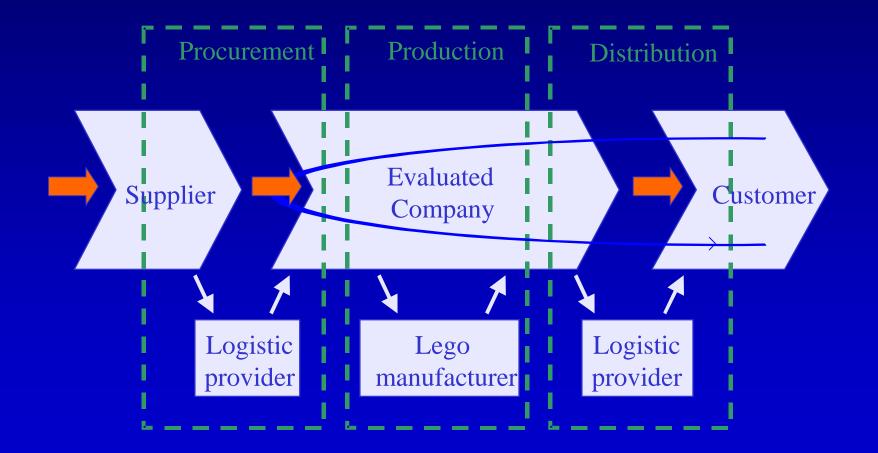
ORDER

PRODUCTION

Material Planning and Logistics Important factors for Volvo Cars

- Customer Oriented Production
- Early involvment in vehicle project
- Landed cost
- Delivery precision
- Reliable Lead Logistic Provider
- Supplier communication EDI.

LOGISTICS EVALUATIONS ODETTE SWEDEN



MP&L 82000 HS 040907

Volvo Cars EDI Demands

100 % usage of EDI without any manual interference

1400 suppliers use EDI and another 300 use ENGDAT

The business MUST include the following functionality's according to Volvo's profile of the Odette subset of EDIFACT

- DELFOR, Delivery schedules message
- Calloff, based on DELFOR
- **DELJIT only sequence suppliers**
- DESADV, Advanced shipping note
- OTL, Odette transport label
- INVOIC, Self-billed message
- ENGDAT, Engineering model exchange, Odette message.

EDI HEAVILY REDUCE COSTS FOR VCC

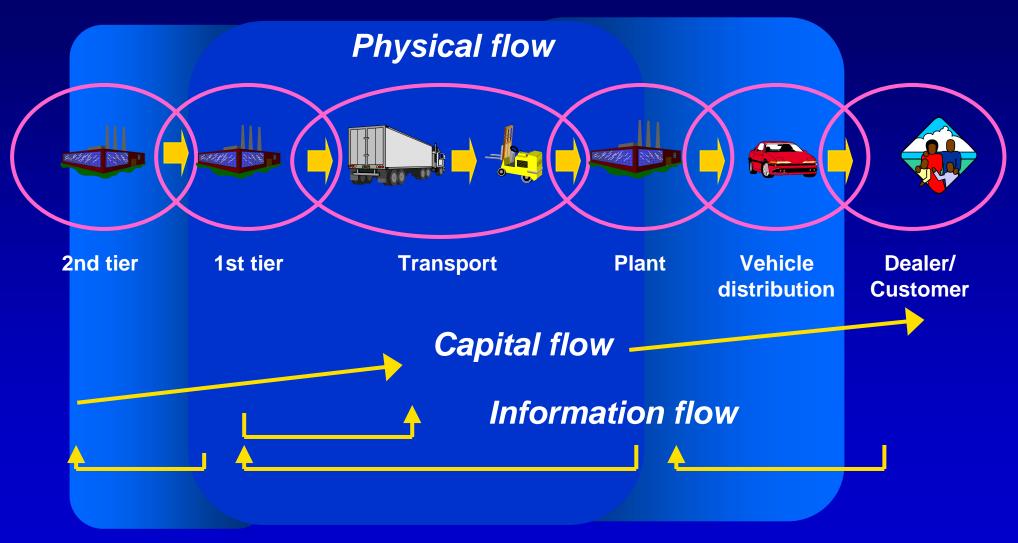
Example for VCC Assembly Plant Torslanda

Estimated cost reduction:400 SEK/PackageNumber of Packages:3350 Packages/day

Total cost reduction:

1.3 MSEK/day

Logistics in Total Supply chain





Future supply chain demands need e-business development and common standards!

- Exchange of demand and capacity information along the supply chain for critical items !
 Exchange of problems and inventory information for pro-active decisions !
- Supply Chain Monitoring!?

Transparency and visability is a must

Thank you ODETTE for the first 20 years and for the contribution to our efficiency and profitability