WELCOME TO VCC/ODETTE EDI TRAINING



VCC EDI EDUCATION

Agenda

- Introduction
- VCC processes
- EDI project
- EDI/Odette customer-supplier information exchange
- VCC EDI training
- Information sources
- VCC EDI timeplan and demands
- Questions

WHY ARE WE HERE??



- VCC startup new plants in China
- VCC have limited knowledge about EDI status in China
- VCC have the same demand for EDI for suppliers in Europe and in China (according to MP&L webguide)
- VCC didn't have the full knowledge to evaluate the EDI status in China ask Odette Sweden for support
- Project team created with support Odette Sweden and Swedish software suppliers

THE WORLD OF VOLVO CAR CORPORATION



VCC EDI EDUCATION

Sweden

- · Head office, Gothenburg
- Product development, Gothenburg
- Marketing, Gothenburg
- Administration, Gothenburg
- Design centre, Gothenburg
- Component manufacturing, Skövde, Floby and Olofström
- Car production, Gothenburg and Uddevalla

Volvo Car Corporation is represented in about 100 countries at approximately 2,300 dealers

Belgium

Car production, Gent

Spain

Design centre, Barcelona

USA

Design centre, Camarillo

3

VOLVO CARS IN CHINA



VCC EDI EDUCATION



4

OUR CORE VALUES



VCC EDI EDUCATION

QUALITY

Precision, craftsmanship and attention to detail



ENVIRONMENT

Minimising emmissions and increasing efficiency

DESIGN

Beautifully simple and simply beautiul

SAFETY

Committed to your safety for 80 years

MATERIAL, PLANNING AND LOGISTICS, MP&L



- MP&L is the central function responsible for the supply chain from early stages in projects to end of production.
 - Material handling engineering
 - Packaging engineering
 - Supply Chain Design
 - Supply Chain Development
 - Pre-production management
 - Process management
 - Program & ordering
 - Inbound logistics
 - Material Supply Chain

RESPONSIBILITY SPLIT CENTRAL AND LOCAL MP&L



VCC EDI EDUCATION

Central MP&L Shanghai

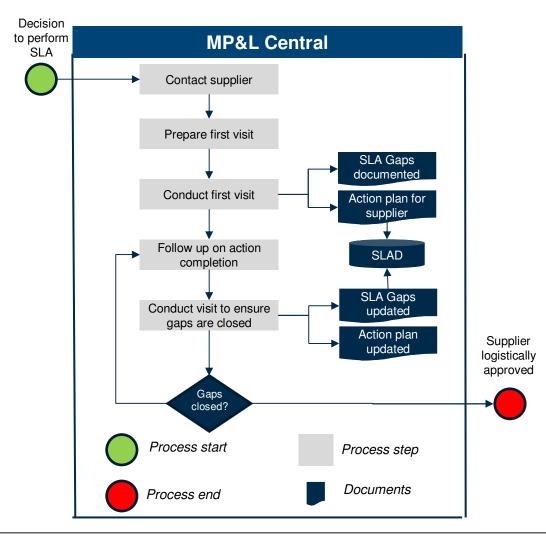
- EDI setup
 - Changes of contact persons regarding EDI
 - Implementation of EDI
- Transport setup
 - Securing that the supplier has access to the logistics service providers booking system
 - Securing that there is a transport flow set up between the supplier and the plant
- Supplier Logistic Assurance activities

Local MP&L Chengdu

- Deliveries to the plant
- Quantities/delivery dates in call offs
- Daily contact regarding deliveries
- Packaging solutions
- Main contact in running production (after SOP)

SUPPLIER LOGISTICS ASSURANCE, SLA

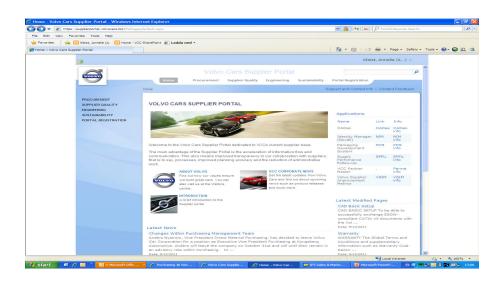




VOLVO CARS SUPPLIER PORTAL



- The Volvo Cars supplier portal contains:
 - http://www.volvocars.com/intl/top/corporate/supplier-portal/Pages/default.aspx
 - MP&L webguides
 - Container Selection process
 - Link to SPFU Supply Performance Follow-Up
 - Link to VSIM Volvo Supplier Improvement Metrics



PACKAGING



- The choice of packaging should follow the Container Selection Process (CSP China Operations for deliveries to plants in China, otherwise CSP, EU).
 - Volvo Standard Packaging (mainly used for VCC plants in Europe)
 - Expendable packaging (mainly used for VCC plants in China)
- Packaging data form should be communicated to and approved by packaging engineer by last week of TT series.
- Agreed packaging should be used from PP series.
- It is the supplier's responsibility to order packaging.
- Only plastic strapping is allowed, no metal straps.

PACKAGING DATA SHEET



Volvo Car Corporation Supplier Details	VCC China Packaging Da	ta Form Yolyo Part Number		
Supplier GSDB Cod Today's Date:		Part number(s):		
Supplier Name:	; roug's Date.			
Contact Person:	E-mail:	Project Name :		
Phone Number:		Part Name :		
;	i i	Click on "Information" sheet for instru	ctions how to fill in the fields	
Pallet Instructions	Photo / Sketch of packaging	Packaging Data		
		1 Packaging type		
#N/A		2 Container No / type		
		3 Pos per Container		
		4 Length (mm)		
		5 Vidth (mm)		
		6 Height (mm)		
		7 Part Weight (kgs)		
		8 Container Weight (kgs)		
		9 Gross Weight (kgs)		
		10 NWC		
#N/A		11 VCC plant(s)	Volvo Car Corporation China(CHENGDU)	
		Inner packaging details	No / type Quantity	
		12 No / type + quantity		
		13 No / type + quantity		
		14 No / type + quantity		
		15 No / type + quantity		
		16 No / type + quantity		
		17 No / type + quantity		
Other Information and Remarks Approvals				
		Signed	Name (Printed) Date	
		Supplier:		
IMPORTANT: Must be signed by hand or electronically and be sent back in PDF form			ectronically and be sent back in PDF format.	
This document shall be returned via e-mail to responsible VCC Packaging				
		Engineer for approval.		

TRANSPORTS



- VCC is using a Logistics Service Provider to organize all transports.
- VCC will pick up the goods at the suppliers shipping point (FCA). The shipping point can be either the manufacturing site or en external warehouse depending on set up.
- The LSP will receive a copy of the call offs to be able to plan the transports, however the supplier is responsible for booking transports in the LSP's booking system.
- If the suppliers fail to book a transport the goods will not be picked up and the supplier will have to pay for an extra/rush transport after contacting the responsible supply chain coordinator.

MATERIAL HANDLING



VCC EDI EDUCATION

- When the shipment arrives at the plant the pallets will be unloaded and the OTL scanned
- For this to be efficient it is important that the OTL is easily readable and in the right place and contains the correct information.



 The scanned information will then be compared to the ASN to make sure that all the parts pre-advised in the ASN are in the shipment.

MATERIAL HANDLING



- Scanning OTL label
- Integrated with IT system from goods reception until point of use
- Different call offs systems internal (kanban, autocall, push button)
- OTL label is used through the material flow in VCC assembly plants



STEN LINDGREN



VCC EDI EDUCATION

Agenda

- Introduction
- VCC processes
- EDI project
- EDI/Odette customer-supplier information exchange
- VCC EDI training
- Information sources
- VCC EDI timeplan and demands
- Questions

WELCOME TO VCC/ODETTE EDI TRAINING



VCC EDI EDUCATION

Agenda

- Introduction
- VCC processes
- EDI project
- EDI/Odette customer-supplier information exchange
- VCC EDI training
- Information sources
- VCC EDI timeplan and demands
- Questions

IMPLEMENTATION STEPS EDI



ACC TRI FROCKLION

1:st visit SLA VCC/Supplier

Decision EDI type VCC/Supplier

Create EDI Case VCC

VIT contact supplier VIT Implement EDI VIT/Supplier

Follow up of EDI implementation VCC SLA team

L421 VEHICLE PROGRAM PLAN OVERVIEW



Contact your VCC supply chain design contact for detailed time plan

STATUS CODES



VCC EDI EDUCATION

Status c

Y/N	Outgoing part/Replaced by another supplier / Unclear
0	Request received.
20	Introduction communicated and EDI data sheet of set up sent to supplier.
30	Data sheet received & DELINS or DELFOR set up in gateway & Ping
40	First schedule sent to supplier. Acknowledged in gateway, confirmed and received at supplier.
50	Request test of ASN, with required set up (S or M Packaging) and Label, sent to supplier
60	ASN test ongoing
80	Label test ongoing (connection between Label and ASN and Label quality)
100	Hand over – activity closed

MMOG/LE



VCC EDI EDUCATION

*MMOG/LE comprises six chapters, with 206 criteria to determine the level of plant performance:

- Strategy and Improvement
- Work Organization
- Capacity and Production Planning
- Customer Interface
- Production and Product Control
- Supplier Interface

The OEMs are particularly focused on a couple areas when auditing Tier 1 suppliers:

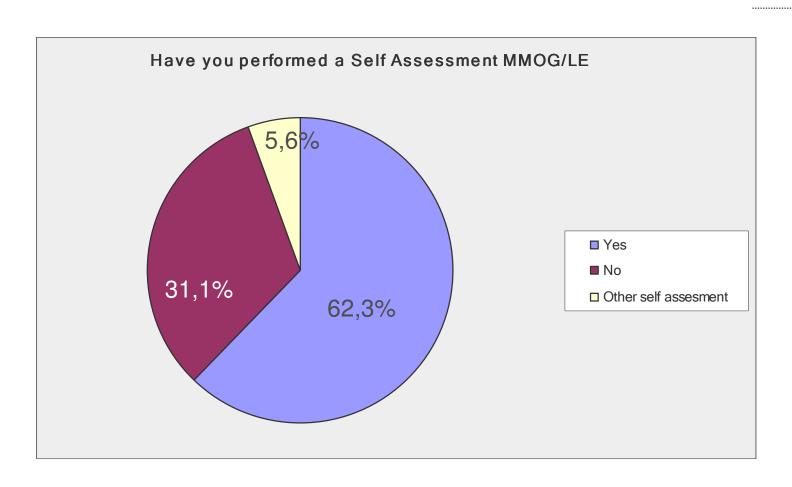
- Management commitment
- Capacity planning
- EDI integration into ERP and automatic processing of data
- Ability to interface with Tier 2 suppliers, especially those in emerging markets
- The Improvement Plan
- Quality scores

A midsize auto supplier in China used MMOG/LE and was able to identify some problem areas to fix, which resulted in a 50% reduction in raw material and finished goods inventory, a perfect score for delivery, decreased premium freight, and improved quality. Most importantly, it obtained new customers.

*Source: ai-online.com

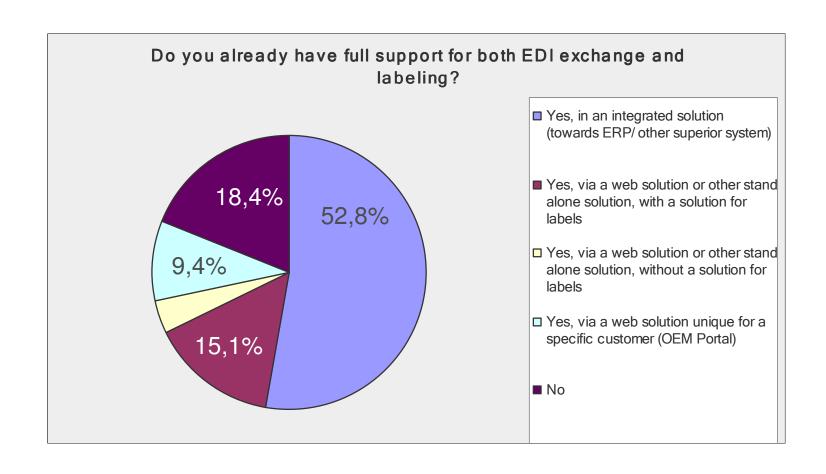
MMOG/LE





EDI SURVEY





CONCLUSION VCC



- Follow MP&L webguide 遵从MP&L指南
- VCC MMOG/LE demand is A-, B- level in the MMOG rating
 →Action plan to be identified during Supplier Logistic
 Assurance 沃尔沃要求供应商MMOG/LE的评分级别是 A-或
 B- →在供应商物流保证工作开展期间,沃尔沃会确认供应商的改进措施
 - EDI shall be an integrated system 要求供应商选择整合式EDI系统
 - Implementation support from VIT 沃尔沃IT提供执行支持人员
 - Follow up and escalation of EDI implementation in VCC Supplier Logistic Assurance activities 沃尔沃会在供应商物流保证工作开展期间跟踪和推进EDI的贯彻执行
 - Implement EDI according to time plan 根据既定的时间进度贯彻 EDI
 - Follow VCC unique EDI requirement 听从沃尔沃专有的EDI要求

WELCOME TO VCC/ODETTE EDI TRAINING



VCC EDI EDUCATION

Agenda

- Introduction
- VCC processes
- EDI project
- EDI/Odette customer-supplier information exchange
- VCC EDI training
- Information sources
- VCC EDI timeplan and demands
- Questions



Thank you for your time

CONTACT INFORMATION VCC SUPPLY CHAIN DESIGN



VCC EDI EDUCATION

Eric Ristenstrand eric.ristenstrand@volvocars.com

Elsa Nylander <u>elsa.nylander@volvocars.com</u>

Tony Huang <u>yang.huang@volvocars.com</u>