

**XEPTUM** Success Story

## Festo AG & Co. KG

#### At a glance

### The customer

Festo AG & Co. KG

Ruiter Strasse 82

73734 Esslingen - GERMANY

Festo is a globally leading provider of automation technology for factory and process automation and a service leader in technical education and training.

The goal: Innovations for the highest possible productivity of customers, global presence, and close system partnership with customers.

### The figures (2011):

Sales: EUR 2.1 billion Employees globally: 15.500

59 own national distribution companies Over 250 subsidiaries Service in 176 countries around the world

#### The project

- Pool scheduling
- Consideration of fixed delivery dates in availability checking
- On-schedule purchasing and production of goods
- Improved timeliness of delivery dates
- Improved backlog controlling

## **Pool Scheduling**

The regional goods distribution center in Singapore supplies a variety of customers and national distributors in the Asian countries. Deliveries for defined routes are consolidated into so-called "delivery pools". For each delivery pool, it is defined when that pool will be served. In doing so, a distinction is made between pools that are delivered daily, only on certain days of the week, or just once weekly.

In addition to the regular scheduled delivery of a pool, it is possible to individually control and change the delivery date for each delivery pool. For example, it can be specified that if the delivery pool for the Vietnam route is generally on Thursday, and this Thursday is a holiday in the Singapore shipping warehouse, the delivery pool for that week can be pushed forward to Wednesday.

#### The objective:

The objective of the project is thus to change scheduling as early as during order entry, so that it is oriented towards pool scheduling. That means that the goods issue date corresponds to the date of the pool. All other dates are based on that goods issue date.

This change to scheduling means that the customer can be provided with the correct delivery date calculated from the date of the pool plus the transport time to the customer.









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In cases where, due to a delivery pool that is not supplied daily, the customer's desired date cannot be met, there is an attempt to move the goods' schedule up in order to deliver them with the previous pool. An agreement is made with the customers involved that in case of doubt it is better to deliver the goods too early rather than too late.

Currently, after successful introduction in the Singapore regional goods distribution center, this pool scheduling is being rolled out worldwide on all production SAP systems.

"The introduction of pool scheduling in fall 2011 improved timeliness of delivery on the first confirmed date in the Regional Service Centre ASEAN by more than 10 percentage points." *Hendrik Suhr, Manager Regional Service Centre in Singapore.* 

# What success/results did the project bring for Festo? What added value could Festo achieve by the project?

This definition and procedure can be used to provide the customer a better forecast of when the goods will be received. More exact calculation of a delivery date can significantly improve timeliness of delivery. That means a significant increase in quality with respect to reliability and timely delivery!

Moreover, this solution also provided a uniform, improved basis for establishing appropriate and improved backlog controlling.

More info ...



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