



Quelle: www.meissen.com

Case Study

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Staatliche Porzellanmanufaktur Meissen

Supply chain optimization with DISCOVER

- Halved lead times
- Intelligent assisted planning
- Service level like industrial 4.0

At Meissen it has been a tradition for centuries - individual products of the highest porcelain quality down to lot size 1. But even an icon like Meissen is in global competition today and has to adapt to market demands for shorter delivery times. In this context, better sales forecasts and sophisticated production control were identified as essential steps. The aim was to significantly accelerate processes and throughput times and to increase the 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 lockup in production for investment.

By using SCT's DISCOVER software, great advances in throughput times and inventories have been achieved and delivery performance has been increased.

Optimize material flow, reduce lead times

It is not easy to achieve reasonable lead times and thus avoid waiting times for customers, because usually the products from Meissen take several months to be finished. In the past, waiting times for valuable products were common, but today the 'buy-it-now' business is a driver. A shorter delivery time is therefore an essential lever for a higher sales potential.

Meissen's starting point is an order processing system based on ERP Oracle Software with individual documentation functions for the piecework wage established. Up to now, this system has been used to control the process-oriented organization of the manufactory very efficiently.

However, **Meissen** was not able to control the material flow and the associated lead times and storage stages synchronously. In addition to stocked assortments, order-related lots have to be taken into account in production.

To increase Meissen's service level under the existing constraints, it would inevitably have resulted in high inventories of finished goods in the stocked range and thus in further undesirable capital lockup.

A solution had to be found that would map, optimize and support Meissen in all its individual processes and data in a target-oriented manner.

Challenging requirements and complexity

Meissen has a range of around 50,000 SKUs (Stock Keeping Units / stocked parts/products), which must be efficiently planned and dispatched in multi-stage processes. Complex production steps are also involved. For example, the "painting and firing" process steps are repeated with varying frequency depending on the product.

Another requirement is the handling of large batches during firing, which has a significant effect on the lead time of each individual product and is therefore a neuralgic point in the production process.

Staatliche Porzellanmanufaktur Meissen

produces handmade luxury of the highest quality. Since its foundation in Dresden in 1710, the manufactory has developed in over 300 years from Europe's first porcelain manufactory to an international luxury and lifestyle brand, which is appreciated even in the motherland of porcelain, China. The creations embody a special beauty and sensuality far beyond purely functional designs and thus become the expression of a special attitude towards life.

- 01662 Meißen, Germany
- Manufacturer of luxury goods
- www.meissen.com

A solution for **Meissen** should therefore be able to handle several multi-stage buffer storages to better balance the production loads. The production progress would have to be transferred from the established Oracle software system.

In addition, sales interfaces were to be provided to allow data from the ordering system and, in addition to forecasts, sales information to be incorporated into the planning process.

In the ideal case, Meissen would be able to create work order suggestions for individual items according to specific rulesets and across product clusters. With simulation and optimization logic, the schedulers would be able to keep a better eye on inventory, service level and total costs.

Visible success and targeted step-by-step concept

With the launch of DISKOVER, **Meissen** succeeded in approximately halving lead times within a set period of one year and reducing inventories in the finished goods warehouse. The delivery readiness for the entire stocked product assortment became significantly higher.

„By implementing the DISKOVER software, we were able to halve the lead time of our manufactory facility. It provides us with a ruleset at industry 4.0 level, with which we ourselves can plan our lot size 1 products with continuously optimized parameters.“

- **Sophia Strathmann**
Project Manager
Staatl. Meissen Manufaktur

The usage of DISKOVER was established in a first step for the articles kept in stock. During this time, the interfaces to the Oracle and ordering system were customized and the processes were optimized to create real multi-stage storage levels.

All products with all their master data and planning parameters were fixed in rulesets. For **Meissen**, this resulted in the desired relief in the material flow and a reduction of the products in stock.

Order-based manufacturing now in flow

After a stabilization period, order-based manufacturing was integrated in a second step. These individual orders are now controlled more rapidly because the material flow is much more transparent. All in all, the newly gained functionalities have reduced the workload of those responsible persons involved in supply chain management strong.

Conclusion - keep it up!

In a further optimization step, capacity planning is synchronized even better with materials planning. For exclusive products, for example, qualified motif painters are the bottleneck. The comparison between available personnel resources and product-related production capacity should be plannable during scheduling. This is intended to ensure a more sustainable supply level in fact of varying resource availability.