

Implementing SAP in Faurecia's lean manufacturing environment

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Agenda

- Faurecia
- Project FCS
- SAP implementation in the 240 plants worldwide
- Key success factors



Faurecia

Faurecia overview

•2010 key figures

- **75,000** employees*
- **238** sites
- **33** countries
- Group revenues: **€13.8 billion**
- **38** R&D centers
- **4,500** R&D engineers and technicians
- **300** patents filed in 2010
- Annual R&D budget: **€1 billion**
- Listed on Euronext Paris (SBF 120 - compartment A)

*4 BGs + HQ

The world's top automotive equipment suppliers (2009 revenues €b)



N°6
worldwide
equipment
supplier

Faurecia "on board"

• Peugeot 508 ■ ■ ■ ■



• Citroën DS4 ■ ■ ■ ■



• Renault Latitude ■ ■ ■ ■



• Audi A6 ■ ■ ■ ■



• BMW 1-Series ■ ■ ■ ■



• VW Phaeton ■ ■ ■ ■



• Saab 9-4x ■ ■ ■ ■



- Automotive seating
- Emissions control technologies
- Interior systems
- Automotive exteriors

Faurecia "on board"

•Chrysler 200 ■ ■ ■ ■



•Ford Focus ■ ■ ■ ■



•Chevrolet Aveo ■ ■ ■ ■



•VW Magotan B ■ ■ ■ ■



•Nissan Teana ■ ■ ■ ■



•Hyundai Sonata ■ ■ ■ ■



- Automotive seating
- Emissions control technologies
- Interior systems
- Automotive exteriors

Leader in 4 activities

Automotive seating

faurecia
Automotive Seating

30,000
people

76
sites

11
R&D centers

22
countries

Production overview

- Complete seat systems 10 million car sets / year
- Covers 10 million car sets / year
- Foam 10 million car sets / year
- Frames 10 million car sets / year
- Headrests 10 million car sets / year



Assembly
Delivery in Sequence

Emissions control technologies

faurecia
Emissions Control Technologies

17,000
people

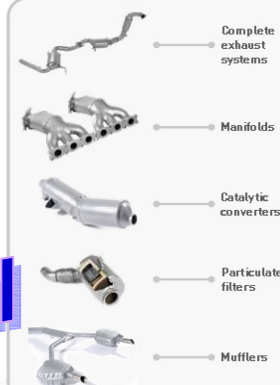
69
sites

10
R&D centers

22
countries

Production overview

- Complete exhaust systems 10 million units / year
- Manifolds 10 million units / year
- Catalytic converters 20 million units / year
- Particulate filters 10 million units / year
- Mufflers 10 million units / year



Technology
Precious material

Automotive exteriors

faurecia
Automotive Exteriors

6,000
people

37
sites

5
R&D centers

13
countries

Production overview

- Front-end modules 10 million parts / year
- Front-end carrier 10 million parts / year
- Bumpers 5.2 million parts / year
- Engine-cooling systems 1.5 million parts / year



Capacity
Delivery JIT

Interior systems

faurecia
Interior Systems

21,000
people

76
sites

8
R&D centers

22
countries

Production overview

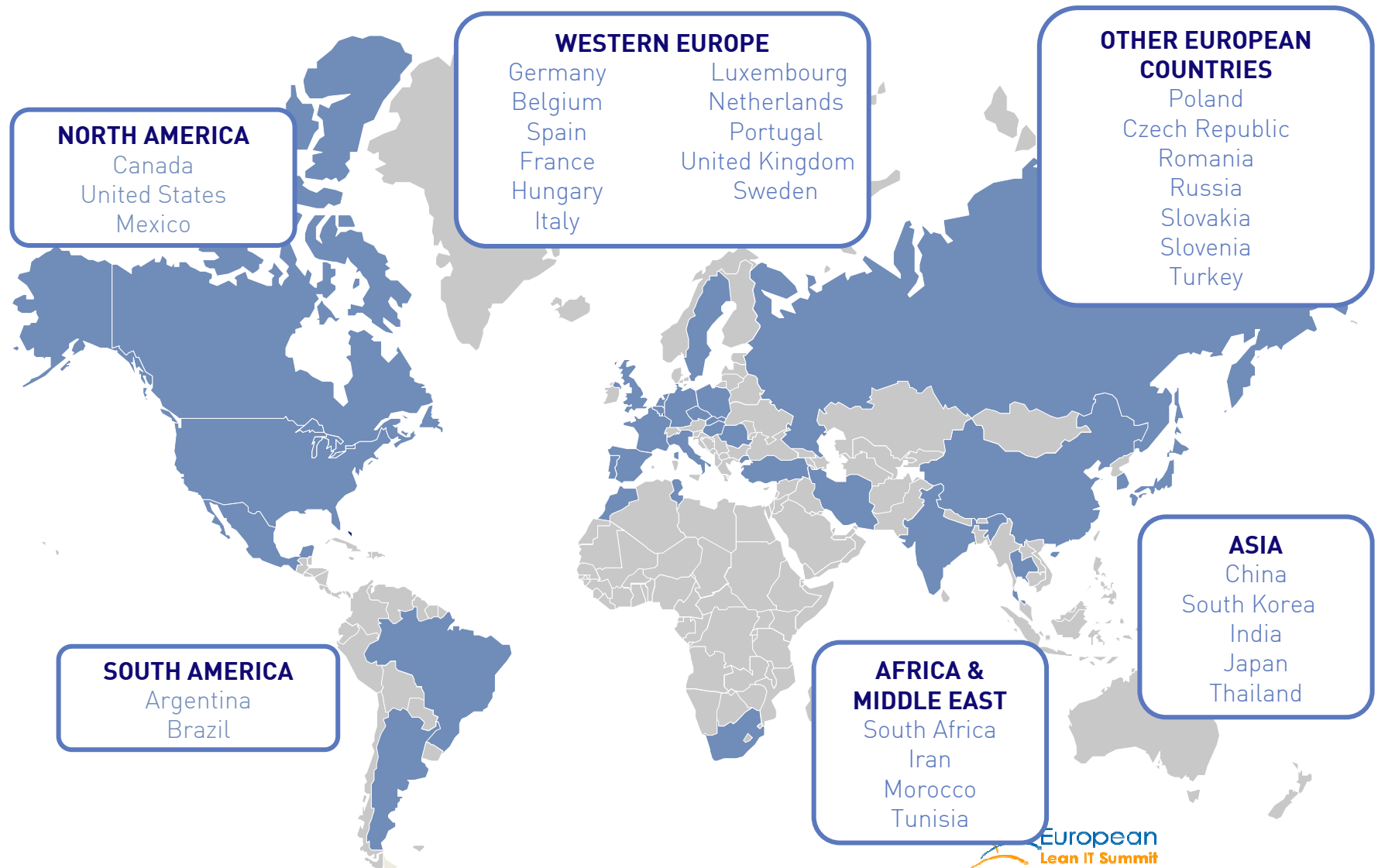
- Instrument panels 10 million parts / year
- Cockpits 10 million parts / year
- Door panels 10 million parts / year
- Door modules 10 million parts / year
- Acoustic modules 10 million parts / year
- Aluminum decorative components 8 million parts / year



Capacity
Assembly



A global footprint



NB: Information given in this presentation includes pro forma figures for Emcon and Plastal Germany.

Faurecia fundamentals

The Faurecia Excellence System

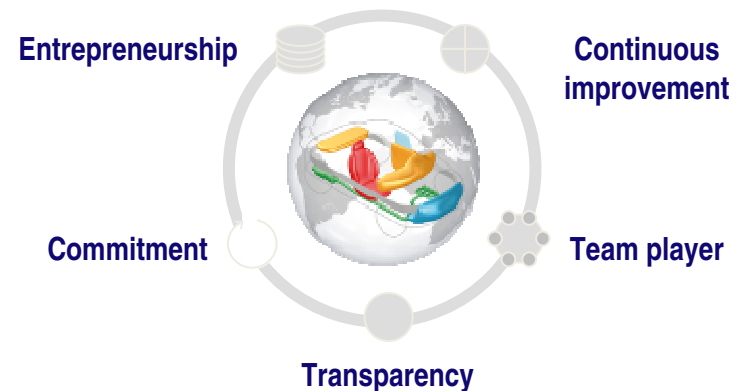
• A common approach designed to ensure **continuous improvement** by leveraging **best practices** inside and outside the Group, both in development and production, to ensure Faurecia stays on top of its game in the global automotive industry.



Five core values

Values that continually guide Faurecia's managers and employees.

They play a key role in strengthening **enterprise culture** and represent one of the criteria for evaluating employee performance.

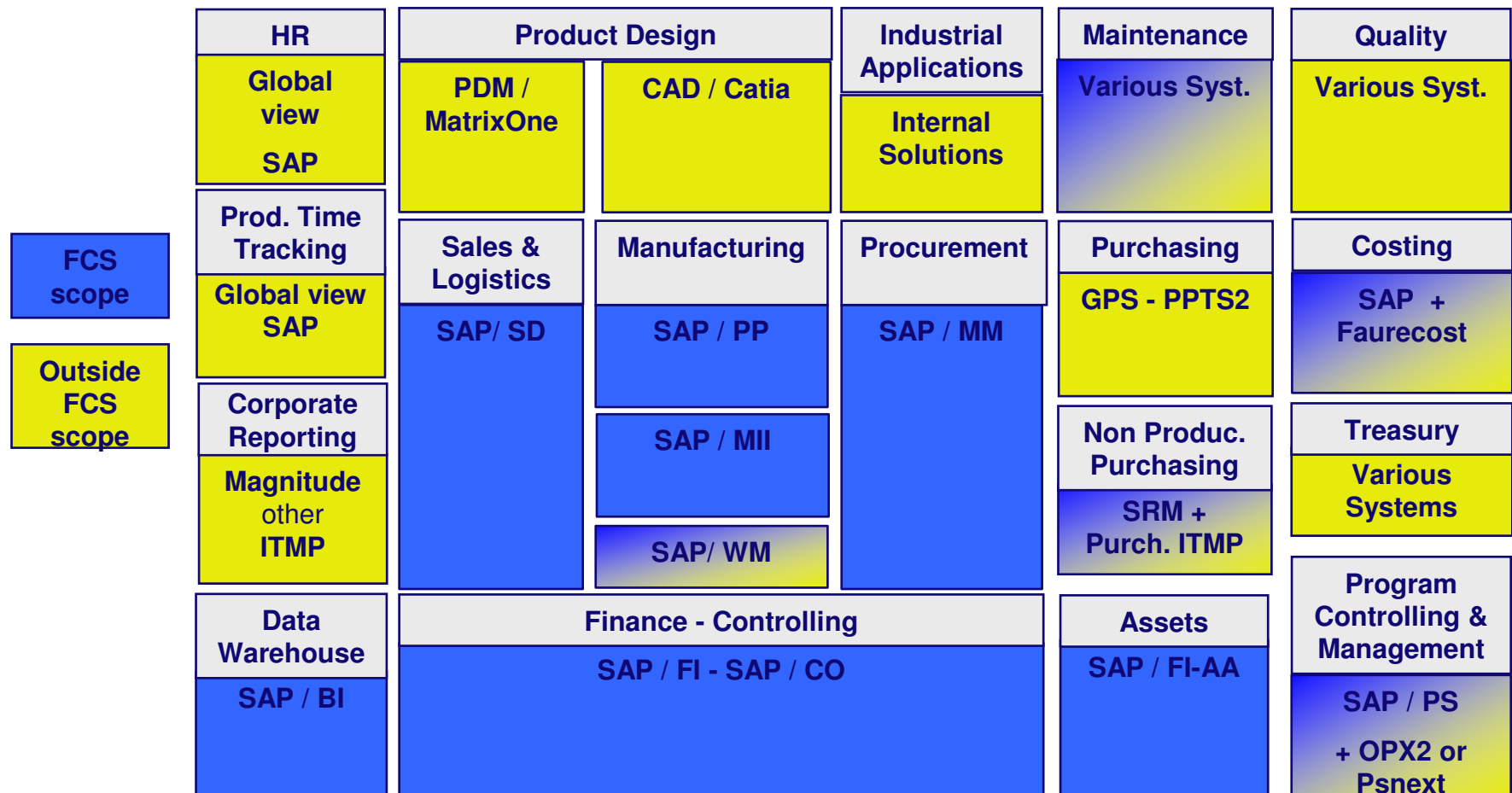


Code of ethics

Charter that sets out the principles of conduct and behavior for Faurecia's daily relations with both internal and external customers.

The project FCS

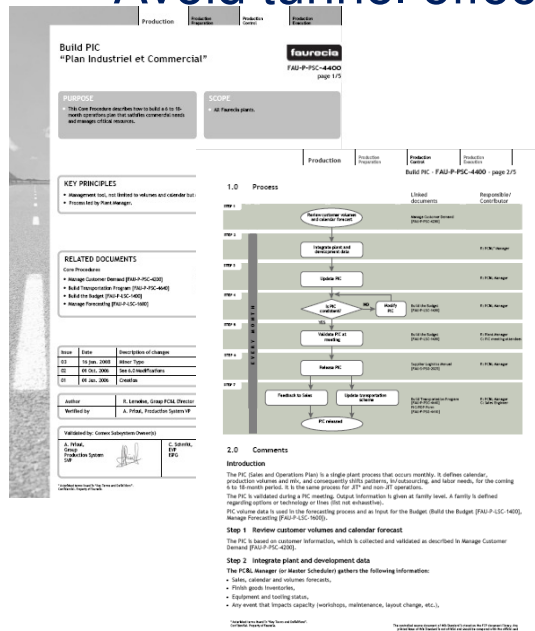
FCS Solution Scope



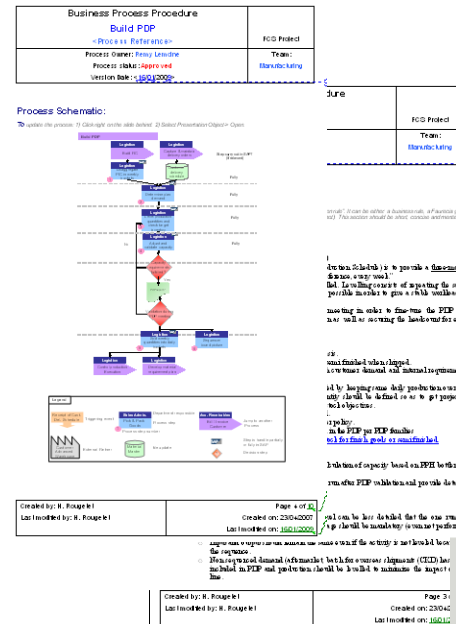
SAP implementation in the 240 plants worldwide

1° The Core Model

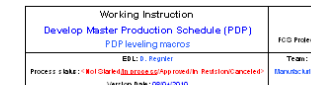
- Starting point FCP, initial workshop with BG representative and process owner to put the base of the solution.
- Avoid tunnel effect and define clear priority



FCP



FCS



3. Working Instruction

3.1. Introduction

PDP macros are available through planning table ZMPDFA_EID in transaction RUC4.

Press **Enter** to activate the macro.

Enter planning line ZMPDFA_EID.

Change Plan in Flexible Planning: Initial Screen

Planning line: ZMPDFA_EID

and Dates (eg., PDP entity and plant code).

Change Plan in Level-By-Level Planning: Initial Screen

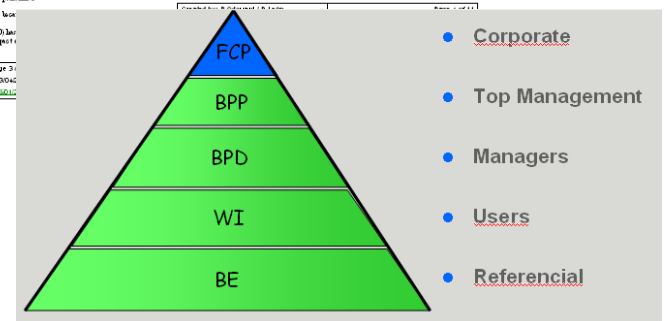
Planning line: ZMPDFA_EID

Press **Active version**.

Once inside planning table, we can access to macro menu by pressing **F10** in the toolbar.

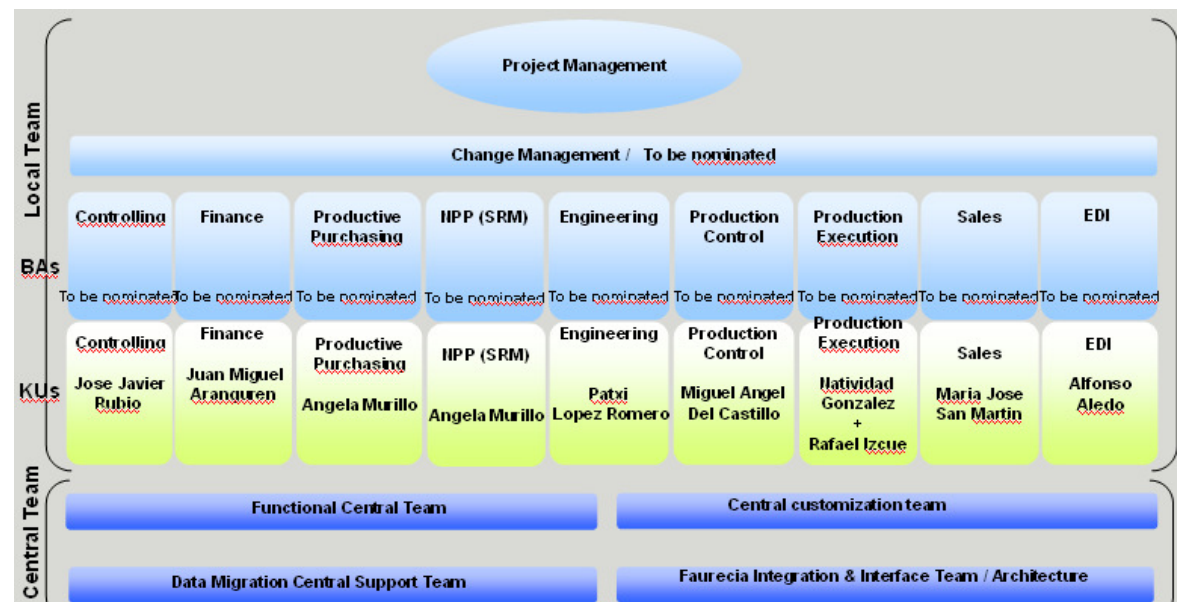
Change Plan (Level-By-Level Planning)

Characteristic: ZMPDFA_EID, Disaggregate row: 0 column: 1



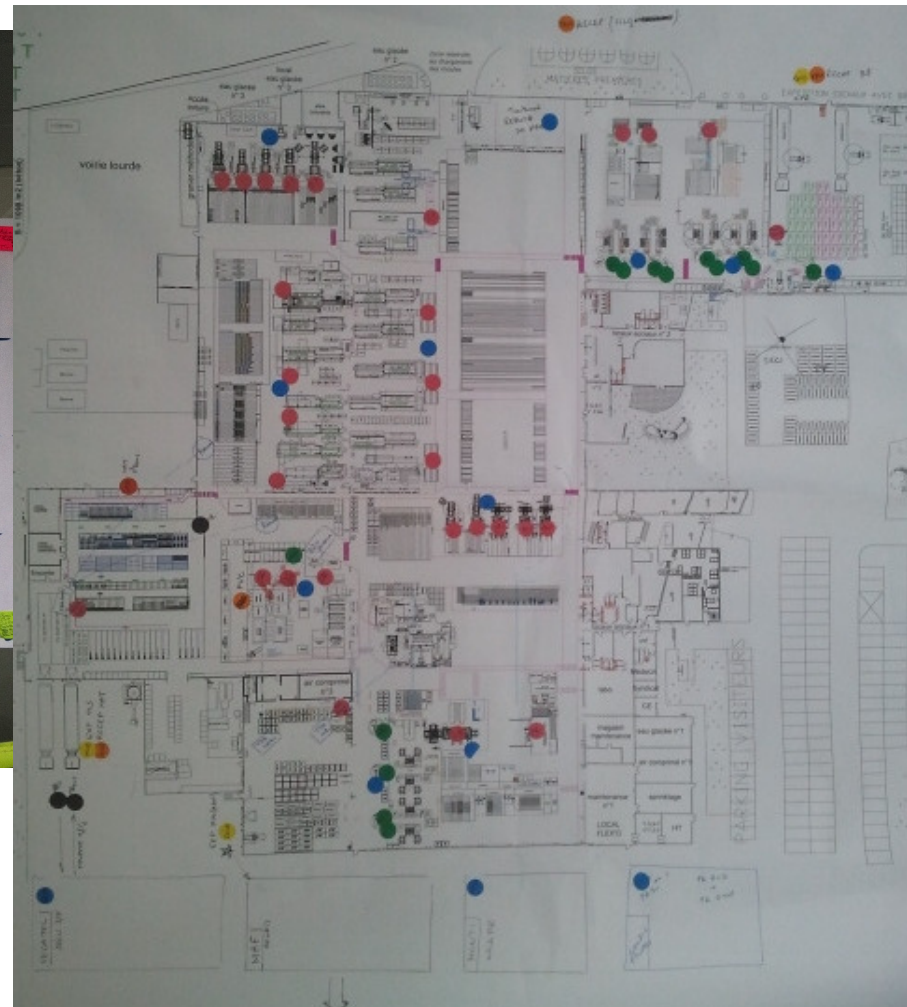
2° The Organisation (Close to the plant)

- Central Organisation
 - Process Owner : PC&L Group Director
 - Domain Leader : Dedicated and owner of the solution
- Local Organisation for Roll out
 - Team 100 % dedicated to the plant , on site
 - **Key User** as the local relay (best practice is to have 100% on project no daily business)



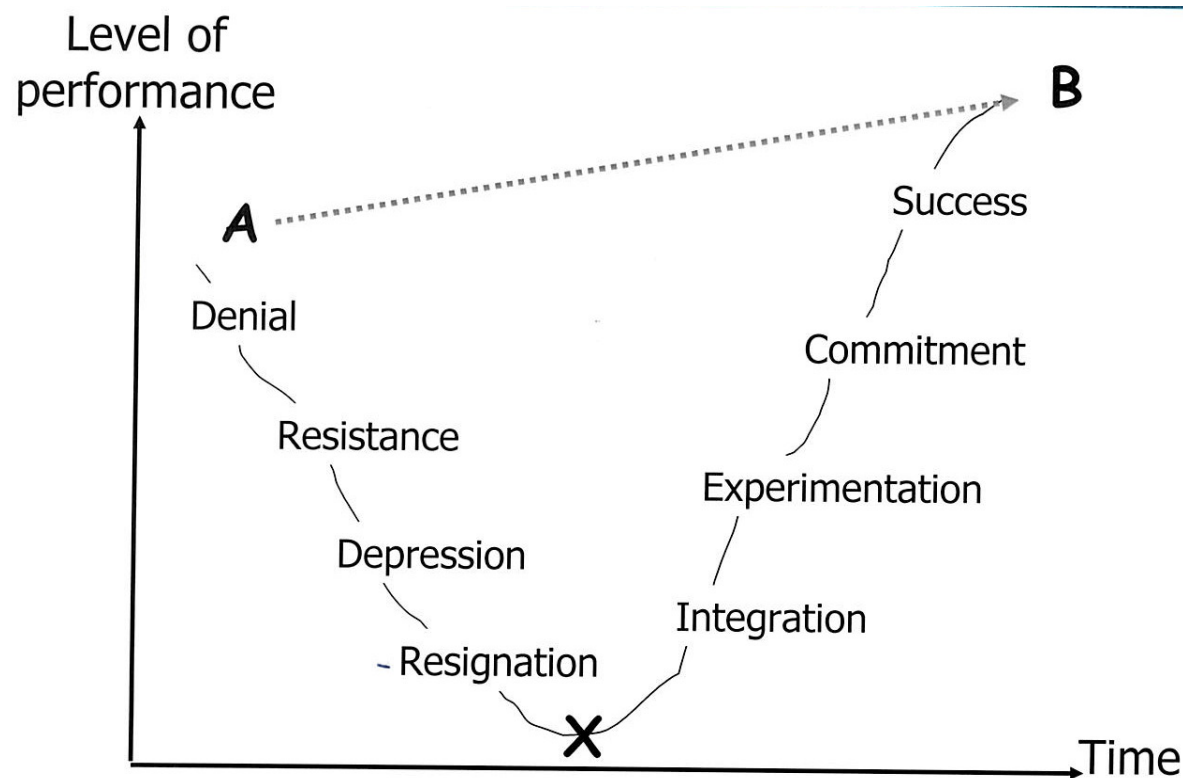
2° The Organisation (Close to the plant)

- Use the tools of the plant for the project (Top 5 / Visual management/ ...)



3° Change Management

- The main challenge is to help people to move through the change curve



3° Change

SHG Test 132
 Date: Bearbeiten Sicht Kommunikation Aktionen Fenster Hilfe
 POPP1828CO * Product family : 88188 * 6/83/86 12:22:39
 STEINACKER QPADE * Production cell : PKOSIED * Seite : 2

Slots....	!	62	93	0	!	62	62	62	62	62	0	318	!	318	318	318	318	318	
Date.....	!	89.03	10.03	11.03	!	13.03	14.03	15.03	16.03	17.03	18.03	11/06	!	12/06	13/06	14/06	15/06	15/06	
		Thu.	Fri.	Sa/Su.	Mon.	Tue.	Wed.	Thu.	Fri.	Sa/Su.	Week1			Week2	Week3	Week4	Week5	Week6	
147584016		FOTEL ELEKTR.8W Z PAM. Pr										Container: 180		Proposal: 2		Low Runner			
Cust.demand..	!	0	0	0	!	0	20	0	0	0	0	20	!	30	30	30	30	30	
Cont:/ 14	!	1	0	0	!	1	0	0	0	0	0	1	!	2	2	1	1	2	
PDP.....	!	14	0	0	!	14	0	0	0	0	0	14	!	28	28	14	28	28	
Stck	!	28	28	28	!	28	14	14	14	14	14	14	!	12	18	6	0	0	
Min./Max.:	!	14	28	!															
147595216		FOTEL ELEKTR.8W LEWY										Container: 180							
Cust.demand..	!	0	0	0	!	0	20	0	0	0	0	20	!	FAURECIA					
Cont:/ 14	!	1	0	0	!	0	1	0	0	0	0	1	!	Týden					
PDP.....	!	14	0	0	!	14	0	0	0	0	0	14	!	PRODUCTION PLAN					
Stck	!	28	28	28	!	28	14	14	14	14	14	14	!	customer demand for the ACTUAL WEEK					
Min./Max.:	!	14	28	!										PRODUCTION PLAN					
147595316		FOTEL ELEKTR. 8W PRAWY										Container: 180							
Cust.demand..	!	0	0	0	!	0	126	0	0	0	0	126	!	FAURECIA					
Cont:/ 14	!	2	1	0	!	2	2	1	0	0	0	2	!	TYP					
PDP.....	!	28	14	0	!	28	28	14	14	14	14	28	!	DIL					
Stck	!	154	140	154	!	154	84	98	98	98	98	154	!	DAILY CUSTOMER DEMAND FOR THE WEEK					
Min./Max.:	!	14	112	!										STOCK ADJUSTMENT FOR THE WEEK					

F0-Time slots F0-current week F7-Capacity view F10-PIC Print F11-Check/Store/Enter F3-Exit F12-Return F5-Next part number F20-N

Customer Demand (pcs) Total PDP Fast CAR 1/3 (example)
 Pull system (box)
 Decision PDP (pcs)
 Stock (pcs)

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 Pull system (box)
 Decision PDP (pcs)
 Stock (pcs)

Týden		PRODUCTION PLAN										VW TOUAREG										392	3148	3145	3145	3145
		customer demand for the ACTUAL WEEK										41										104	112	108	108	108
																						64	48	48	48	48
																						672	752	750	750	750
																						600	3252	3252	3252	3252
																						66	50	49	49	49
																						398	7362	7362	7362	7362
DIL	TYP	Daily customer demand for the week	Stock adjustment for the week	Replacement customer demand for the week	FAURECIA WEEKLY PRODUCTION	FAURECIA WORKING DAYS	FAURECIA DAILY PRODUCTION	PO	OT	ST	ET	PA	SO	NE	Spare parts	Week sum	shipping days to customer	Stock actual (pcs)	Target stock end of week (pcs)							
B1506C	Leví antracit	227	270	0	1495	5,68	248	240	240	240	240	240	0	0	0	1200	5	270	105							
B1507C	Leví braun	81	100	0	505	5,68	89	96	96	96	96	88	0	0	0	472	5	100	58,341							
B1508D	Praví antracit	45	60	0	285	5,68	50	56	56	56	56	56	0	0	0	280	5	60	65							
B1509D	Praví braun	10	10	0	60	5,68	11	8	8	8	8	8	0	0	0	32	5	10	138							

3° Change Management

- Dilemma of the chicken and the eggs ...
- Do we wait to have the plant up to the standard to implement the system?
- or
- Do we implement the system to force the plant to change and get them in the standard?
- Eg: Develop in SAP the Faurecia label and use SAP as a tool to pull standards

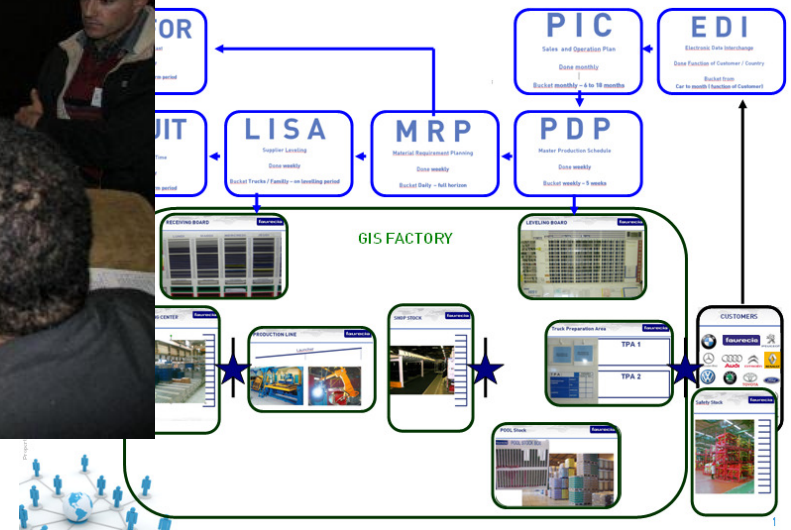
faurecia BEAULIEU FAURECIA SY ST D' ECHAP		PART DESCRIPTION COLLECTEUR AV ASS ZPJ4 ISOLE		1118706616 		PART NUMBER (P)	
PRODUCTION DATE P20110908		SEBANGO 8706				QUANTITY (Q) 50	
PACKAGING TYPE GR00FL						LABEL (S) *737994*	
WIP				STORAGE LOCATION		315 KGM	



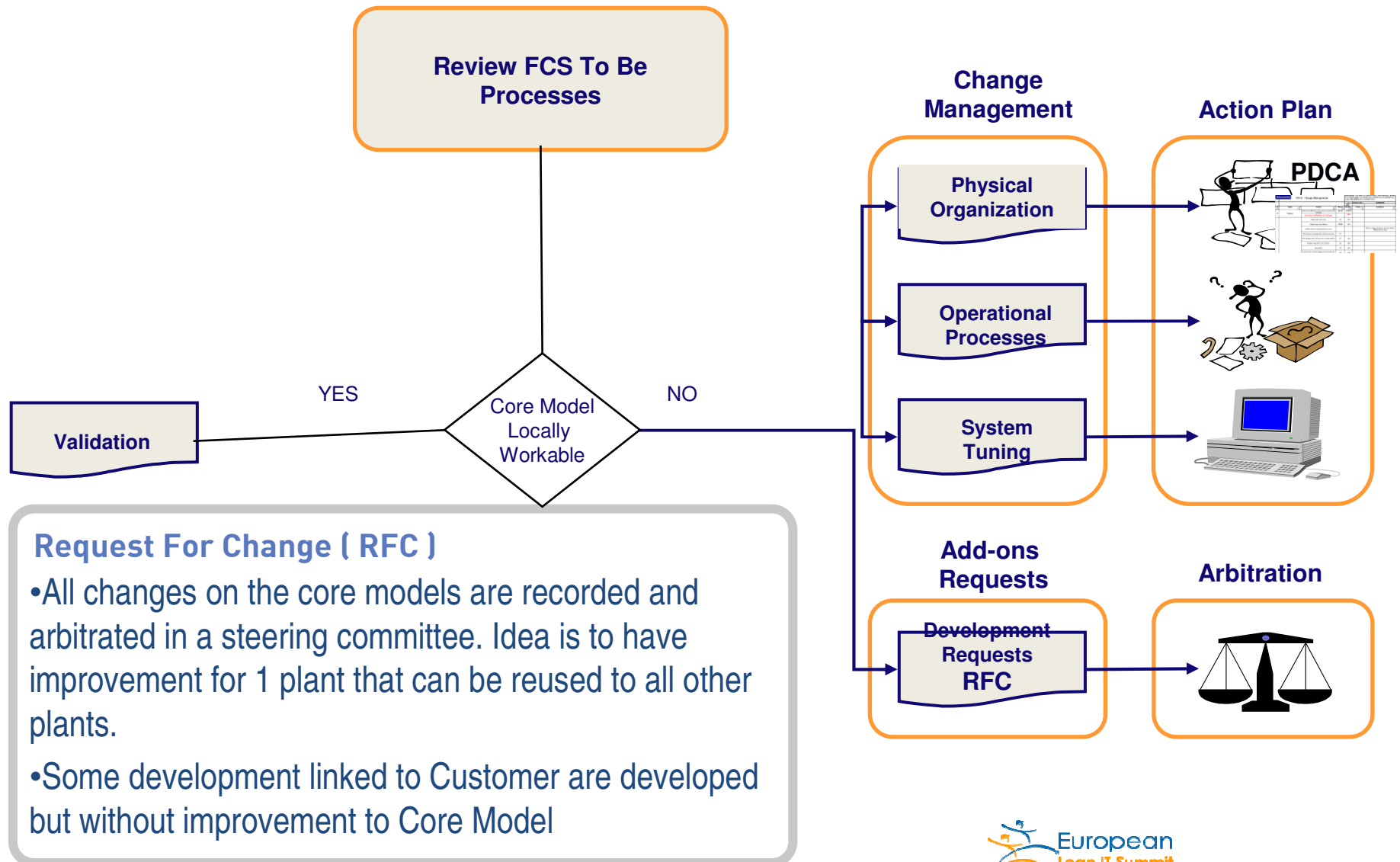
3° Change Management

- Be able to make simple explanation to the IT team but also the business people sometime.

FCS Game



4° Kaizen concept on the roll out



5° Promote best practice

- When a process is in line with the Group, implemented and working in some plants.
- Use it as a best practice and push the plant to that concept when they request something different.



Small train concept

printer located in the warehouse



1. Small train driver takes empty boxes and scan every E-kanban label, sticked on the supplier label.
No warehouse movement is done at this moment.
2. Small train driver confirms the end of the loop. Two action are done:
 - a) Printing of E-kanban labels (sorted according small train and storage location)
 - b) Stock movement: “- Inbound warehouse” <-> “+ WIP (no “Black Box”)”



6 °The Simplest is the Best

- SAP is not the most ergonomics for shop floor activities. We implemented a local solution MII to simplify and secure the business.

SAP production screen MFBF

- A lot of options and possibilities

REM Confirmation - Transaction Variant: None

<div style="display: flex; justify-content: space-between; padding: 2px;"> Post with Correction Details Yield Documents Doc-Specific Cancellation Doc.-Neutral R </div>			
Backflush type			
<div style="display: flex; justify-content: space-around;"> <input checked="" type="radio"/> Assembly backflush <input type="radio"/> Component backflush <input type="radio"/> Activity backflush </div>			
Scrap Qty Confirm.		Posting header	
Scrap quantity	<input type="text" value="1"/>	Unit of Meas.	<input type="text" value=""/>
Reason	<input type="text" value="5001"/>	Posting Date	<input type="text" value="16.09.2009"/>
		Document Date	<input type="text" value="16.09.2009"/>
		Doc. Header Text	<input type="text" value=""/>
<div style="display: flex; justify-content: space-around; margin-top: 10px;"> Make-to-stock Make-to-order Production by lot </div>			
Material	<input type="text" value="86564817000"/>	<input type="button" value="ⓘ"/>	
Plant	<input type="text" value="1223"/>	Production Version	<input type="text" value=""/> <input type="button" value="Coll. entry"/>
Planning plant	<input type="text" value=""/>	Date of Manufacture	<input type="text" value=""/> SLED/BBD <input type="text" value=""/>
To location	<input type="text" value=""/>	To batch	<input type="text" value=""/>
<input type="checkbox"/> RP backflush		Reporting Point	<input type="text" value=""/> <input type="button" value="Ⓜ RP stocks"/>
Selection data			
Planned order	<input type="text" value=""/>	Revision Level	<input type="text" value=""/>
Production line	<input type="text" value=""/>	Planning ID	<input type="text" value=""/>

MII solution

Customized to the business

Manual Production Declaration	
Production Line	WC93102 - MOD B299 IP
Material Code	FAQ00ILWS_UAT - INYEC
Production Version	FAQ00ILWS_UAT - INYEC IP
Production Date	FAQ03CM1E3K - B299 IP G1 S1
Quantity	FAQ03CM1E3S - B299 IP G1 S1
print Production label	FAQ03CM1E3T - B299 IP G1 S1
production booking	FAQ03CM1E42 - B299 IP G1 F1
Printer	LASERVLC - Laser Valencia
<div> <div>Create</div> <div>Cancel</div> </div>	

PRODUCTION BOOKING

Production Label

002013285

Lst Label :

Qty :

F3:Confirm F4:Back

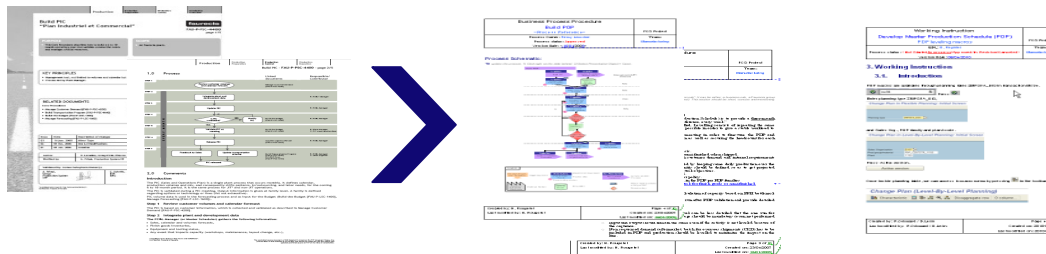
PRODUCTION BOOKING
Production Label
<input type="text"/>
SUCCESS
Lst Label : 002013285
FAG05BXEBO13
C307 GD ESTRUCTURA EBONY S/AGU
Qty : 6
<input type="button" value="F3:Confirm"/> <input type="button" value="F4:Back"/>



Key success factors

Key success factors (1 / 2)

- Have a Business model shared and validated
- Create and communicate systems work standards

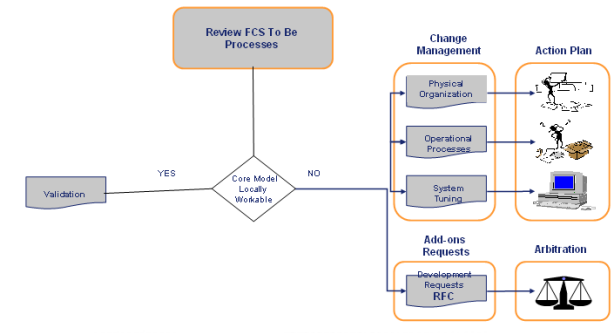
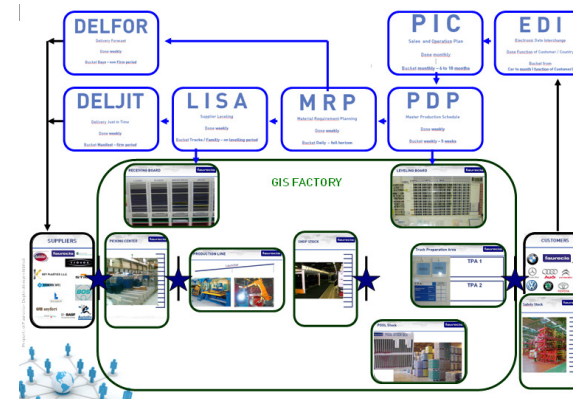


- Be close to the action, people and location (Gemba)



Key success factors (2 / 2)

- Have simple, visual tools to help people to change
- Work in Kaizen mode
- Promote best practice with the system



- Simplify solution for operational

PRODUCTION BOOKING	
Production Label	
002013285	
Lst Label :	
Qty :	
F3 Confirm	F4 Back

PRODUCTION BOOKING	
Production Label	
002013285	
SUCCESS	
Lst Label : 002013285	
FAG05BXEBO13	
C307 GD ESTRUCTURA EBONY S/AGU	
Qty : 6	
F3 Confirm	F4 Back



Thanks for your time.

Any Questions ?



Technical perfection, automotive passion

faurecia