

Emerson Network Power™ and MaNeM: renewing synergism



«Inspired since 2001 by a “Lean Manufacturing” strategy, Emerson Network Power™ has chosen the MaNeM ‘on demand’ software by Joinet, already used to interact with strategic suppliers, also to optimise communication with DSV, the group in charge of logistic management based in Rotterdam.»

Michele Martiradonna, DPG Sales Manager of Emerson Network Power™

Emerson Network Power™, a division of Emerson™, the United States multinational company based in St. Louis (Missouri, USA), is a global leader in Business-Critical Continuity™ thanks to a complete platform of solutions and services for power, precision cooling and connectivity protection targeted at data centers, telecommunication networks, industrial and medical applications. The company's mission is to develop innovative, highly customisable, flexible solutions to meet the increasingly urgent customer requirements in terms of adequate protection of their technology infrastructures against all the risk threatening operating continuity.

Emerson Network Power™ headquarters for Europe, the Middle East and Africa is in Piove di Sacco (PD), supported by other offices in Milan and Rome. The European headquarters – the production facility for precision air conditioning units, as well as the R&D, service, marketing and sale facility – and the two commercial offices employ a workforce of 400.

The logistic activities linked with distribution are entirely controlled by the DSV group on an outsourcing basis from a centre near Rotterdam, in Holland.

‘on demand’ software for ‘supply chain collaboration’ developed by Joinet. By integrating (via a common interface) data coming from the information systems of the various parties involved in the production chain, this solution has helped streamline and automate the whole order cycle management. With the support of MaNeM, Emerson Network Power™ has launched a “Lean Manufacturing” system focussing on increased transparency in the ‘in transit’ and ‘consignment’ goods information workflow, as well as on the decrease of stocks value, without affecting in any way the availability of stocks.

The excellence achieved in this sector has inspired in the company the need to also optimise warehouse management basing on the same model. The top priority was smarter planning of the flow of in-coming and out-going goods through improved communication with the logistic provider DSV, also playing a strategic role in the supply chain.

“MaNeM has once again turned out to be the ideal partner, acting as an intermediary to ensure effective dialogue between our own JD Edwards ERP and that of DSV, without having to undergo the cost-intensive process of operating system personalisation”, says Michele Martiradonna, DPG Sales Manager with Emerson Network Power™.

SOLUTION OVERVIEW

COMPANY:

- Emerson Network Power™

JOINET SOLUTION:

- MaNeM

ADVANTAGES:

- Integration between different systems (EDI vs WEB and back)
- Continuous flow of handling goods
- Efficient management of unexpected variables: stock disruptions
- Optimisation of goods shipment and delivery terms and timelines
- Traceability of shipped items' serial numbers

MaNeM “LEAN MANUFACTURING” APPLIED TO WAREHOUSING

Since 2001, Emerson Network Power™ has interacted with its strategic suppliers, based as far as in China and Taiwan, through MaNeM, the

HARMONIOUS, CONTINUOUS-FLOW GOODS HANDLING

In December 2006, the MaNeM implementation process began, to be rapidly completed by the next month of January. The project took into account DSV's strategic need to be promptly updated on all the existing purchase orders, to be able to accurately plan the collection of the containers, schedule priorities and inform Emerson

Network Power™. MaNeM responded efficiently, by making it possible to visualise, about one month before actual reception at the warehouse, all the information concerning the items packed in containers and shipped from China and Taiwan: this turned out to be a strategically important option to be able to handle unexpected variables such as stock disruption.

The solutions offered by MaNeM were also applied at the opposite (outbound) end, to be able to optimise and speed up the goods shipment and delivery processes.

"After processing - with the support of MaNeM - the POs placed by Emerson Network Power™ customers, DSV will withdraw the required stock. The platform will produce the item codes for the goods to handle and automatically inform the TNT couriers of the shipments to organise. At the same time, it will create invoices to match the purchase orders, which are then sent to the customers by e-mail on the following morning. Finally, Emerson Network Power™ will receive confirmation that the goods have been shipped, and be able thereafter to follow the goods route all the way to destination", explains Michele Martiradonna.



Another, much appreciated plus of MaNeM's is its ability to provide daily information concerning the stock on hand, comparable with the accounting stock information coming from the Emerson Network Power™'s ERP, in order to identify and reconcile any differences. *"MaNeM 'physically' lets us into the warehouse, overcoming any difficulties linked with distance, fast goods turnover and goods value, minimising the differences with respect to actual stock-taking results",* comments Michele Martiradonna. Another useful asset for the company is the possibility offered by MaNeM to trace and check serial numbers, in order to guarantee that the shipped item matches the item described in the order, and be able to stop a shipment if the item descriptions don't match. Another activity that can be managed online by using the software is the accurate calculation of the amount and type of backup packaging to load in the container - in case some of the shipped goods' packages should break. *"This ensures a twofold advantage: to improve customer service on one hand, and on the other hand, to minimise the costs resulting from complex claim management procedures in the event that goods different from the ordered goods or goods in damaged packaging reach the customers",* continues Michele Martiradonna.

INTEGRATED EXTENDED NETWORK: A CONTINUOUSLY EVOLVING PROCESS

MaNeM has also been appreciated by DSV as a tool to overcome problems connected with the use of e-mail and telephone exchanges – as it makes it possible to immediately share accurate, complete information. *"By allowing us to obtain exact, documented information, MaNeM will also help us define future Key Performance Indicators, which can be used to monitor the effectiveness and efficiency of logistic services",* explains Michele Martiradonna.

The results obtained with MaNeM, further enhanced by the support given by Joinet in the start-up phase, have led Emerson Network Power™ to consider its extension to other areas of application. *"Every 5 to 6 months, UPS need to be serviced to recharge their internal batteries: with MaNeM, we'll be able to know exactly the warehouse obsolescence timeline, know which UPS have the slowest turnover, and consequently, promote market actions to sell them off relatively quickly, to prevent expensive recharging operations",* says Michele Martiradonna.

To manage out-going goods, Emerson Network Power™ also plans to integrate TNT transport services in the MaNeM project, while as far as the incoming flow of goods is concerned, it plans to involve Maersk, a company dealing in Far East suppliers' goods container packaging and shipping all the way to the warehouse. Granting to Maersk access to the original purchase orders would be strategically important for it to make the most of vessel and container capacities and maximise the quantity of transported goods, optimising time and resources.

MaNeM[®]
Manufacturing Network Manager

«Thanks to MaNeM, our logistic processes are much more "rational", with waste and human errors reduced to a minimum and warehouse flows that are consistent rather than in peaks and slumps. The observed advantages confirm the central role played by MaNeM in creating an increasingly extended, integrated network, characterised by competitiveness and quality of the service offered to customers.»

Michele Martiradonna
DPG Sales Manager of Emerson Network Power™