Abstract
A large allied automotive supplier became an economic liability for a major original equipment manufacturer. TPS’s Managing Director was tasked with decommissioning this tier 1 supplier and relaunching all the current production with seven new suppliers. The recommissioning cycle had to be within 12 to 16 weeks from the tool and equipment move date.

Challenge
The decommissioning work involved two facilities that produced 3,000 production and service assembly part numbers as well as numerous specialized additional components. The team was also assigned the task of launching these products in a cadence with 7 new suppliers worldwide. It was imperative that the start date for the takeover suppliers’ production be timed with the depletion of the original supplier’s banked material. Project leadership was given 7 months to bank all components and assemblies in addition to decommissioning the two original plants.

Execution
Our Managing Director developed a staged banking plan encompassing all variations of assemblies and components. These re-launches were timed by component and assembly part numbers to ensure banked materials were consumed and process validation was successfully completed. After supplier PPAP work was complete, PTR’s were done on every assembly in each of the applicable auto assembly plants. Once all tasks were complete, the new suppliers entered into steady state production from their newly validated production processes.

The new supplier’s production locations had undergone capacity and constraints analysis. In many instances new molding machines had been purchased and installed in anticipation of these business transfers. Other suppliers receiving business transfer tools had open floor space for used equipment. The project team was able to broker deals between the exit supplier and the new suppliers for used equipment. The transferring IMM’s and other equipment was moved along with the tooling in many instances.

Tools were transferred in most cases, many tools required bolster plate additions and modifications so they could run efficiently in the new supplier’s equipment. The product launches were staggered, the plan was to start production on products by family, allowing 6 weeks between families at each new supplier location. This allowed the new suppliers to work through their launch issues product by product without their resources being over taxed.

Result
The project was completed on time and utilized only 30% of the allocated budget. There were no disruptions to schedule from the takeover suppliers, as all products were again launched without issue at more than 20 customer assembly locations.