Abstract
A Department of Defense (DoD) manufacturing company awarded a major DoD contract was unable to meet their vehicle build schedules inside a number of their assembly plants. The problem was identified as being caused by a number of component and assembly shortages coming from several key production tier 1 and 2 suppliers. TPS was brought in to several strategic supply locations to identify the causes of the delivery problems, enact corrective actions where required, and eliminate the production schedule disruptions.

Challenge
+ The Assembly plants were frequently minutes away from shutting down production due to the lack of components.
+ TPS was to identify all issues impacting the focused supplier’s ability to deliver product on schedule and develop corrective actions around these problems.
  - Many suppliers in the value stream had been given unclear deliverables.
  - Many suppliers were not producing parts that met design intent.
+ TPS was to assist the supplier’s in developing quality and production processes that would ensure production volumes and quality requirements would be met going forward.

Execution
+ Implemented an interim product containment process for several suppliers to ensure the manufacturer did not experience plant interruptions with the associated components.
  - Drove changes to manufacturing processes that significantly improved both output and first-time quality.
  - Established communication between the suppliers and the assembly plant.
  - Developed a production shipping schedule that met the requirements of the assembly plant as well as for the tiered suppliers.
  - Developed and implemented proper quality/production metrics including an effective tracking system.

Result
Within two weeks sub supplier issues were stabilized, the supply of on-hand material began to increase, and production build schedules were met and maintained. The on-hand inventory of good material at the assembly plant for these focused suppliers increased from less than one day when TPS was engaged to almost five days after working with these suppliers for four weeks.