

BorgWarner Turbos is an American worldwide automotive industry component and parts supplier with locations globally. It is primarily known for its powertrain products, which include manual and automatic transmissions and components, such as electro-hydraulic, transmission control units, friction materials, and one-way clutches, turbocharges, engine valve timing system components, along with four-wheel drive system components.

One of the organization's objectives is to improve and scale production capabilities to address a more complex business environment including:

- Commercial and Passenger Vehicle Market
- MES / Shop floor Automation
- Batch Management to Support Traceability
- Sales and Operation Planning

CHALLENGES

To support the BorgWarner Strategic Vision and Growth Plan the following objectives were formulated:

- Improve alignment between organization and performance targets
- Better information to make production decisions
- Improve product availability
- Increase data accuracy, standardize business process and develop user confidence in SAP®

SOLUTIONS

- Executed an oVo® program to optimize Materials Planning, Procurement and Inventory Management practices
- Deployed Production Capacity, Scheduling, Planning and Dispatching strategies
- Developed a Business Process Framework enabled by Business Process and Supporting documents
- Designed PP business process to support strategic plan for the upcoming production complexity and growth

BENEFITS

Financial Measures

- Inventory reduction 21%
- Dead Stock reduction 22%
- Stock Turns increased 27%
- Value of materials optimized 91%

Process & Service Measures

- High schedule attainment of production plan with as a result increased production efficiency
- Negative Days of Supply reduction 79%
- Exception messages reduction 88%
- Overdue Supply Elements reduction 100%
- Overdue Demand Elements reduction 99%

Organization and People

- Education of Material and Production Planners on core SAP functionality
- Increased Data accuracy and user confidence leading to better decision making
- Increased analytics capability and visibility across the Supply Chain
- Work continues as part of a global roll out in other regions.

Awards Achieved

- In 2018, Borgwarner accepted the SAP Automotive excellence in operational performance award
- In 2017, Borgwarner received the Presidential award for the turbo project

