

## New Nam Lee Electrical Co.,Ltd

Company name: NewNamLee Electrical Co., Ltd

Company address:

Chang'an District Jinxia Hexi Industrial zone,  
Dongguan City, Guangdong Province, China

Founded: 1982

Capital: 138 billion RMB

Products: wires, connectors, outlets, metal parts for electrical cables, plastic products, electrical and electronic parts, insulation, plugs and power related production

<http://www.newnamlee.com>



## Time spent on making the production plan reduced from 2 hours to 30 minutes; Plan execution reached 90%

New Nam Lee Electrical Co.,Ltd (subsequently NNL) is a Hong Kong based company, producing electric wires and cables as well as electrical and electronic connectors. Their products are widely in used Europe, Japan, Canada etc.

NNL introduced an ERP in 2006, which took a big step forward in its IT management. In recent years, with the increase of business volume and customer demands, the ERP's bottlenecks gradually started to appear. To improve production efficiency and reduce costs, NNL decided to introduce Asprova APS (market leader in Japan) in 2010. We interviewed Mr. Wang (production management department leader) and Mr. Jiang( IT manager) of NNL about the background, reasons of choosing Asprova, effects and an outlook on future developments .

## Background of introducing production scheduler

It has become too complex to make a production plan based on MS Excel. As the business has been expanding in recent years the variety of items has risen to more than 10,000 variations, the monthly order amount is up to more than 5,000. NNL has become a typical multi-variety, small batch manufacturer.

NNL's Mr. Wang said: "Our product technology is not very complicated, but the convergence, decomposition, and other modes of producing process make the production very flexible. When rush orders come in or the yield is not satisfactory it's really hard to handle, as we are have to solely rely on our experience." "Our ERP has a scheduling function, but it is difficult to create a feasible plan and it is too slow. Therefore we had to search for a more professional, advanced scheduler."Mr. Jiang adds.

At an early stage of introducing a scheduler, Mr. Huang, manager of the production and system section of NNL, listened to the views of various departments. As a result they confirmed that the top priority was to solve the production scheduling problem.

To improve the management level and clarify the scheduling demands, each section started to collect information and studied it on-site & off-site. At last summarized demands were submitted to several vendors.

Small lots in various kinds is the peculiarity in cable field. The wire pre-process production is different from the after-process plug and connector wire, so there is a large amount of data. They preferred a flexible and fast scheduler and reviewed several systems. At last NNL chose Asprova because of its 17 years of experience in scheduling and the support system.

### Asprova implementation effects

**Shorter planning cycles**

**Increased plan accuracy**

**Shorter lead time**

**Plan can be changed quickly**

**Production plan is more effective**

## ■ On-site guidance



## ■ Team members of the introduction project



### Introduction scope and goals

The project started in October 2010 and consisted of 3 stages.

#### Phase 1: Wire parts

Making a detailed production plan for the wire production process, output information of production and material purchase to increase management efficiency and plan achievement rate.

#### Phase 2: Plugs & connectors

Promote the results achieved in phase 1 to expand the scope of APS to all manufacturing sectors. The goal is to optimize capacity and increase production efficiency.

Phase 3: Analyze the cause of stock shortages, automatic adjustment of production instructions, improve PMC efficiency and get an exact purchasing basis to reduce inventory and cost.

### Introduction project

To introduce Asprova successfully NNL had specially-assigned person from each sector take part in the project. They collated existing data under our guidance. During data collection they also cleared up detailed business and system demands. Dissents were solved at the operation meeting held each Monday. Mr. Huang, NNL vice president, participated almost every week, to identify problems and give advice.

### Introduction results and future goals

After 5 months the first phase was formally concluded in April 2011 and effects have already become visible. At the same time, the second phase started testing and the third phase was about to start.

#### Effect 1:

##### Production time reduced significantly

It used to take about 2 hours to make a plan and even longer if rush orders came in. Now it only takes 15-30 minutes.

#### Effect 2:

##### Expansion of scheduling scope

Previously NNL only planned its main processes, but with Asprova this has been expanded to copper twisting and extrusion processes.

#### Effect 3:

##### Plan execution reached 90%

Due to the lack of an effective management basis, the plan execution rate used to be very low. After introducing Asprova they work according to Asprova's scheduling results, increasing production efficiency and at the same time reducing costs.

Future goals are to:

1. Expand the efficiency of the first phase to other processes.
2. Control material storage and usage, reduce inventory and achieve overall cost reduction.

NO	Compare items	Old workflow	APS workflow
1	Basic data	production capacity was judged by experience only	standardized process rules and management (BOM + process)
2	Data confirmation	Lay on ERP, sometimes discussed at meetings, but no decisions came out	Judged by ERP+APS, reflects all changes
3	Execution rule	Material, production and warehouse were managed separately. Should be purchased but hadn't been stored; should be produced but had no material	Scheduling results are shared with material, production and warehouse sections
4	Working efficiency	Many needlessly duplicated processes	simpler processes, saving a lot of time
5	Production efficiency	very little increase in space	supply basic information to increase efficiency



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