

Purchasing and Supplier Schedules



GALION Automotive allows the enterprise to manage non-production purchasing. The system provides simple processes to allow the monitoring of purchasing budgets. For the purchasing of production materials and components the system is oriented to work on the open contract "blanket order" principle. This involves transmitting, to the suppliers, schedules containing firm and /or forecast releases or KANBAN calls. Suppliers also have the possibility of connect via a web portal to effect certain transactions or to consult their current situation.

Purchasing

Database Tables

- Requisitioners
- Approval hierarchy (variable depending on value)
- Buyer
- Consignees
- Planner
- Budgetary Impact (sector, service)
- Supplier Pricing

Operational Processes

Requisitioning operational process

The requisitioner enters the purchase requisition. The requisition is then authorised by the requisitioner or other approvers according to the defined approval hierarchy.

After approval, the requisition can be consolidated with other requisitions into a discrete purchase order.

This purchase order can then be transmitted to the supplier.

The Request for Quotation Process

The system allows for the management of requests for quotation. For each request for quotation, it is possible to manage its distribution to potential suppliers and to manage the responses and the resulting quotations.

The responses to requests for quotation are registered in the system, and it is therefore possible to analyse these and ultimately create the purchase order using the request for quotation data.

The Purchase Order Management Process

In many situations, Purchase Order entry is done directly.

Supplier administrative lead times can be recorded. This allows the monitoring of Purchase Orders that have not been confirmed.

The purchase order can follow a pre-defined approval process using electronic signatures and financial approval.

The system manages quantity-based prices by date.

Supplier Scheduling

The Open Contract Operational Process

The system is oriented to manage the flow of purchased production materials using the open contract "blanket order" method.

It provides a price management function, which is date based by article.

The supplier scheduling system provides numerous logistic parameters, including data allowing the control of supplier capacity.

The process of updating the supplier schedule starts by the development of a provisioning plan.

The confirmation of this in effect leads to the production of the supplier schedule.

The schedule can be maintained directly, and permits the monitoring of the ahead/behind situation of the supplier in relation to the required deliveries.

From the schedule, the system generates the schedule releases that are then transmitted to the supplier by EDI or otherwise.

It is possible to manage any collections that need to take place. To this effect a collection date can be included on the schedule releases.

The history of each schedule is retained by the system.

KANBAN mode replenishment is supported, the KANBAN calls being also included in the supplier schedule.

The Operational Reception Process

The reception process conceptually consists of two major steps.

The first step is administrative reception. This consists of the acquisition of the data contained in

the supplier's despatch advice. This step is unnecessary (because it will have occurred automatically) if the supplier has sent an advance shipping notification by EDI message or by entering his despatch advice in the Galion *Automotive* supplier portal.

The second step is the physical reception of the goods. This can be accomplished manually or by using bar code readers. The system allows the generation of internal labels at point of receipt in order to identify the products, or alternatively permits the use of labels produced by the supplier. The uniqueness of the label number is controlled.

Quality control at reception can be considered as an optional third step in the reception process. In order to achieve this, the system manages an inspection routing process, together with parameters that govern whether, and with what frequency, inspection is activated. Inspection documents are produced. After inspection, the goods are accepted, returned, scrapped or accepted under concession. Alternatively a rework process can be invoked.

Supplier Invoicing Operational Process

Control of supplier invoices is accomplished in two steps.

The first step consists in acquiring the supplier invoice data. If the supplier transmits his invoice by EDI, acquisition of the data is automatic. Otherwise the process involves the constitution of invoice lines using the history of supplier receipts actioned but not yet invoiced. Acquiring the data also involves verification of the consistency of the values contained in the invoice footer record (i.e. invoice totals) with those of the invoice detail lines.

The second step involves the confirmation of the invoice. The system finds the correct price for each invoice line, calculates the correct line item value, calculates the total expected invoice value and compares this with the invoice value provided by the supplier in the invoice footer.

The invoice detail is also used to populate the EU Intrastats declaration.

Applications on the supplier WEB portal

The applications of the GALION WEB portal are available from a browser such as « Internet explorer » or « Netscape ».

The software package enables to determine the security on three levels.

GALION Automotive includes as standard equipment applications available for suppliers.

These applications were conceived to improve logistics processes and the integration of flows with the suppliers

.
Thanks to the tools offered, every supplier will be able to guarantee reliable flows.

The return on investment is even better if the principles of self-billing are applied.

Some organizational processes can be arranged to ensure that the tools offered are as effective as possible.