



# SyteLEAN

## Pull System for SyteLine

### A Lean and Responsive Inventory Management System

SyteLEAN PullSystem is a simple and responsive inventory management system for items that are regularly purchased or manufactured. It is an electronic Kanban system that automatically “right sizes” the selected inventory items based on “average usage”, forecasted usage, and variability in usage. It is an automated demand-pull system that "pulls" replacement orders when inventory is consumed, rather than “pushing” orders the way MRP does. SyteLEAN can be combined with MRP/APS to plan each inventory item using the most efficient method for each integrating the plans in the SyteLine Planner’s Workbench. SyteLEAN can be used with SyteLine Forecasting to help you Right-size your inventory considering future demand.

When an item is issued to production or shipped, if the calculated “trigger point” is hit, it replenishes the inventory to the optimum level by creating Kanban “planned orders” that are combined with the APS/MRP “planned orders”, which can be reviewed and released in the SyteLine Planner’s Workbench. The “right sizing” calculations can consider both historical usage and forecasted usage and the look-ahead and look-behind periods can be user-defined. The net result is an inventory management system that automatically corrects itself for changes in demand and product mix and is much easier to deploy and manage than MRP.

### Automate and Integrate the Strengths of Kanban and Traditional MRP

**SyteLEAN Pull Item Maintenance**

Pull Item: FA-10000 Whse: MAIN Unit Cost: 222.9103  
 Description: Bicycle, Model-30,26" UM: EA Revision: REV-2

Source: Manufactured Max Supply: 561 ADU: 31.1  
 Last ADU Calc: 04/10/2008 07:53:04 Trigger Point: 249 Lead Time Factor: mu  
 Planner Code: FG Calculated S.S.: 63 Service Level: 95.00 %  
 Product Code: FG-100 Strategic Buffer: 218 Std. Dev.: 15.57  
 Order Multiple: 5 On Hand: 207 Fixed Lead Time: 6 Days  
 Order Maximum: 0 Qty. On Order: 22 Days Supply: 10  
 Kanban Management Firm Job Orders: 0 Takt Cell:   
 Planning Detail Planned POs: 0 Takt Time: 0.00  
 Total Qty On Order: 22  Freeze Buffer Data

Buffer Status: Order Buffer Action Qty: 332 Supply Days: 7 thru 04/21/2008  
 On Hand Status: Normal On Hand Action Qty: 0 On Hand Days: 6 thru 04/18/2008

- Considers past and future demand
- SyteLine Item parameters drive kanban releases
- Co-exists with MRP and APS.

#### Benefits

- Automatically Calculate Safety Stock, Trigger Point and Maximum Supply Quantities for PullSystem items
- Calculate Days of Inventory On-Hand and in the Supply chain for Pull System items
- Define Service Level policies maintain at the optimum level to meet your fluctuating demands
- Purchased and manufactured item replenishment based upon a dynamic demand-driven Trigger Point
- Use the Material Planner’s Workbench or Order Action Report to confirm your Replenishment Orders
- Visibility into Spike Demands and Supplier Forecasts
- APICS standard statistical calculation for Safety Stock
- Utilities to identify which inventory items are best managed by a PullSystem
- Works in tandem with SyteLine Forecasting with to control weighting of history vs. forecast
- Compatible with all SyteLine versions

## Basic Business Objectives of the SyteLEAN PullSystem

### Features

- Adds Lean / Kanban capabilities to SyteLine ERP
- Calculated Safety Stock
- Calculated Trigger/Reorder Point
- Calculated Maximum Supply
- Weighting of History and Future usage is controlled by SyteLEAN parameters.
- JIT Picklist to communicate Kanban replenishment needs to manufacturing

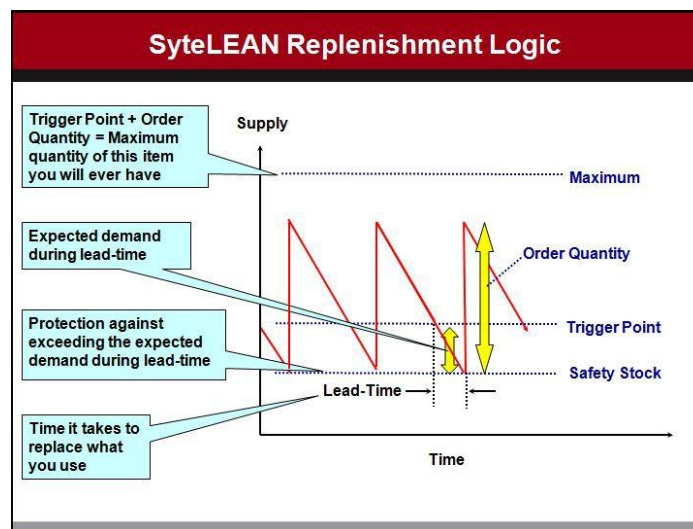
### Standard Reports

- Pull Item Status
- Spike Demand
- Exceptions
- Supplier Forecast

### Standard Utilities

- Buffer Data
- Buffer Status
- Pull Simulator
- Item Import Utility

- Eliminate waste and excess inventory in both the manufacturing area and in purchasing with order replenishment controlled by two key factors:
  - The calculated PullSystem inventory profile for each item.
  - The current level of on-hand and on-order supplies.
- Automatically calculate and update inventory profiles for all Pull Items.
- Trigger exception reporting for front loading and spike demand to protect against future stock outs.
- Replenishment orders are automatically triggered for each item BASED ON ACTUAL CONSUMPTION – NOT ANTICIPATED USAGE.
- Provide status of all items with respect to the on-hand balance, on-order balance, and total supply.



- Only consumption will trigger replenishment
- Historical demand "Right-Sizes" supply
- Minimizes WIP
- Simple to manage

- SyteLEAN PullSystem Action Reports:
  - Expedite – avoid stock-out by knowing which items are below lead-time usage
  - Critical – know which items don't have adequate quantities on order to cover lead-time usage.
  - Excess – take quick action to reduce exposure when demands change.

The SyteLEAN PullSystem increases the speed and accuracy of your replenishment process; helps reduce inventory levels and shortages. It is tightly integrated with your SyteLine ERP system. It can take as little as a few days to implement and is very easy to use.

For more information, a free inventory analysis utility, or a Web demonstration, contact Decision Resources, Inc.

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