London Taxis International becomes more competitive with IFS Applications™

London Taxis International (LTI) is the vehicle division of Manganese Bronze Holdings. Its Coventry, UK, factory has a turnover of £67million and employs 450 people. LTI manufactures the ubiquitous London black taxicab, building some 3,000 every year, mainly for sale in the UK. With component-based business application from IFS, London Taxis International has gained tighter control over its production and enhanced integration of its engineering and manufacturing processes.

As the direct result of new government legislation regarding wheelchair access, LTI expects its market to expand in the near future. It therefore needs to be working efficiently and in good competitive shape so it is flexible to new demands and capable of supplying an enlarged market against greater competition.

The problem

LTI's operation was using a highly tailored traditional MRP system, which was not particularly flexible to the needs of the business. This led to a proliferation of Access databases and Excel spreadsheets based on data extracts, all being used for business critical functions but none of them closely integrated with the central system. There was no easy mechanism for engineering change control or the transfer of design updates from engineering to manufacturing, and individual taxi ordering was inflexible with no mechanism for ensuring the availability of necessary components.

The solution

LTI wanted a solution that would have a central data source which could be accessed by a wide variety of different systems using reliable, up-to-date technology, so that Access and Excel developments would be operating from the latest, live data. It had to be future-proof and offer the capacity to cope with a possible increase in business, expected because of changes in legislation. Moreover, it had to improve the way engineering and manufacturing work together and include a rules-based product configurator that would make ordering more reliable and accurate. The solution that best fulfilled these requirements was the component-based IFS Applications.

Implementation

Implementation was carried out in stages, starting with two days a week generic training for the core LTI Project Team spread over eight weeks, after which LTI mapped all its processes, agreeing and documenting them so that they were prepared to move forward with IFS.

Next, IFS consultants came into the various areas and went through these agreed processes with the IFS Business Modeler™. Using this interactive process mapping utility, LTI compared what they had documented with the alternatives offered as standard by IFS, and as far as possible standard processes were adopted without

alteration. Only a few changes were required because of the special nature of the taxi business so the system has been implemented almost completely as delivered, which greatly reduces cost and guarantees flexibility. "This project was always owned by the business and they became really involved," says Gary Hancock, IT Manager at LTI. "People from the departments know how the factory runs, and they decided how they wanted the system to work. We now have managers coming to us with ideas on how to improve their parts of the operation."

Benefits

LTI now has a modern, component-based integrated manufacturing system that is flexible and able to maintain up-to-date information for a whole range of business critical activities. The majority of the functionality demanded by LTI is provided within IFS itself. Where there are specific needs, Excel or Access is used with ODBC links to the main database, which maintains data accuracy and consistency. IFS Applications is built to maximize the benefit of such desktop tools by keeping data secure within the environment provided by IFS itself.

The engineering bill of materials and manufacturing bill of materials, which were on separate, unconnected systems, are now integrated through IFS. Engineering needs to be able to make queries on parts usage and examine the effect of changes completely independently of manufacturing. Using the latest parts information, and with access to stock levels, engineering can now adapt their bill of materials to optimize changes before doing a straightforward transfer of updated information to manufacturing.

"The engineering bill of materials was one of the most important things," says Hancock. "For an automotive manufacturer, bills of materials are at the center of the business, and if they are not right, everything starts to fall apart. IFS is as flexible as the old Access system and we have total freedom to query data, but it's much more controlled. When Engineering is happy with a change, there is a controlled process to move it into manufacturing."

A new rules-based configurator has been implemented to make ordering and pricing a taxi more reliable. This not only ensures that individual orders for taxis are correct, but a record of the components that will be required for manufacture is also retained for future use. The configurator is the basis for improved ordering facilities, which will be offered to the distributor network via the Internet.

A press shop tracking system was quickly implemented, so instead of using a freestanding spreadsheet to determine work in progress, tracking is managed using Production Scheduling from IFS/Repetitive Production™. Following up an idea from the press shop manager, work completed in the press shop is logged into a PC as simple transactions so at the end of the day the manager knows exactly what has been completed and the amount of work in progress. This is an invaluable aid to scheduling component availability.

Software

IFS Financials™, IFS/Sales Configurator™, IFS/Customer Orders™, IFS/Customer Schedules™, IFS/Purchasing™, IFS/Inventory™, IFS/Supplier Schedules™, IFS Manufacturing™, IFS/Repetitive Production™, IFS/MRP™, IFS Engineering™, IFS/PDM Configuration™, IFS/Project™, IFS/Link™

En2404-1 Production: CMC, March 2002.