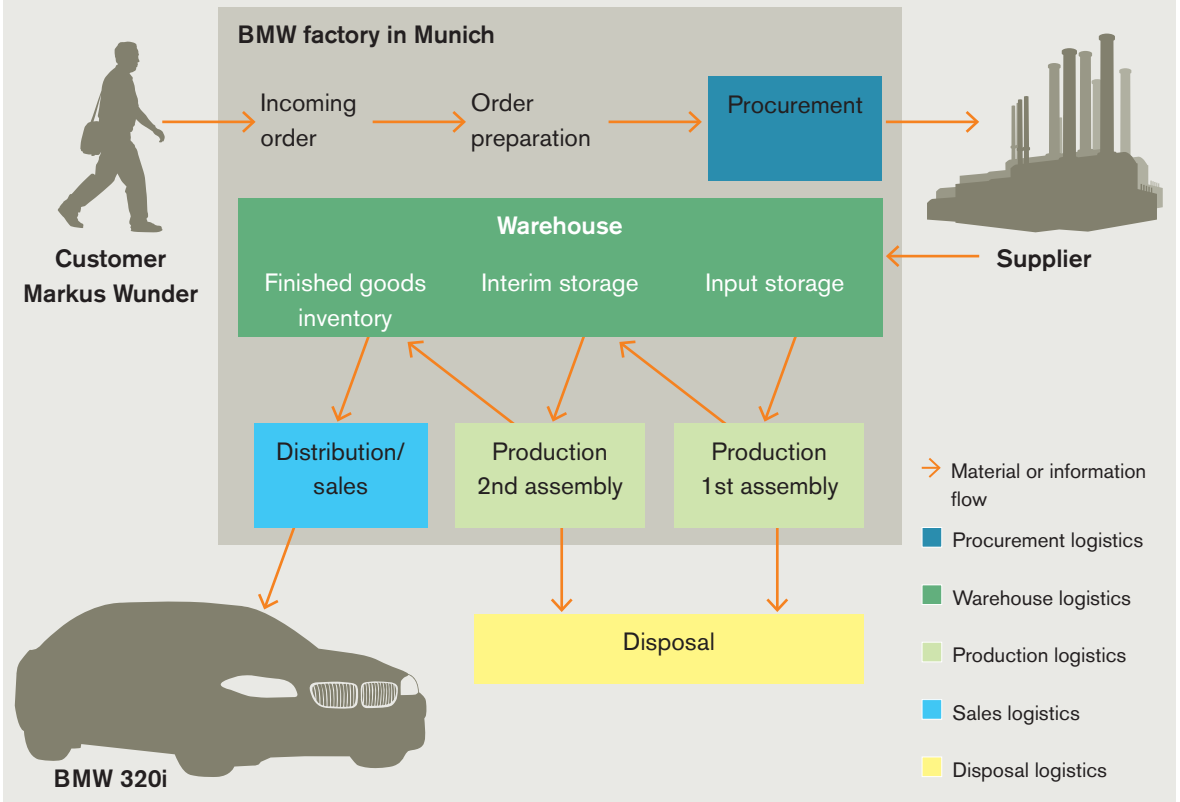


In this chapter on “materials management”, only the functions “procurement logistics” and “warehousing” will be investigated in depth. Production logistics, and planning are covered in chapter D5, “Production process,” while sales logistics are explained in chapter D10 “Distribution policy.”

Figure 127

Example BMW plant Munich – Various logistics

Customer Markus Wunder has put in an order with the BMW factory in Munich for a BMW 320i four-door sedan in imperial blue with special interior fittings (sport seats, GPS, etc.), chrome side mirrors, and all-wheel drive. The following figure illustrates the processes that are set in motion by this order:



After the customer has put in an order, the process planning follows to determine the following: who (which employees), what (which part or subassembly), how (the method and with which means of production), when (timeframe and production date, working backward) and how the production process will be controlled. Those responsible for procurement then clarify the materials that must be procured and in what quantities for successful production (procurement planning) to occur. Thereafter, the product goes through various stages of production until it can be delivered (distribution/sales). Before, during, and after the individual production steps, materials, and intermediate and final products must again be stored.