

## VIA's MAN-IT™ Averts 75,000-Vehicle Recall

### Case Study

#### Introduction

Recalls on vehicles have plagued the automotive industry for years, with some of the recalls affecting hundreds of thousands of vehicles and others costing automakers thousands of dollars per repair. For just the first four months of 2002, more than one million vehicles were recalled, with per vehicle cost as high as \$4,000. These recalls have a domino effect on costs in the automotive industry, with costs being passed back to the suppliers, and, ultimately, to the car owners themselves by way of increased vehicle pricing. As a result, the industry needs to improve quality and reduce manufacturing costs.

#### Situation

A Tier 2 supplier of machine-stitched airbags sent tens of thousands of them to a large Tier 1 supplier of airbag modules for final manufacturing processing. The Tier 1 supplier then sent thousands of the finished modules to an automaker for final assembly into vehicles. However, after shipping the covers to the Tier 1 supplier, and after final manufacturing by them, the Tier 2 supplier became aware of a problem with the stitching on some of the airbag reinforcements.

#### Challenge

The Tier 1 supplier needed to determine whether the defective airbags were still in inventory or already had been used in production. If used in production, the supplier would have to notify the automaker which airbags sent to them were defective. And if the airbags were used by the automaker, they would have to identify the specific vehicles affected to avoid a massive recall.

Since the Tier 2 supplier was not using a shopfloor manufacturing information tool, the only information they could supply was the lot number of the suspected parts. What the Tier 1 supplier faced was looking at production one week before and one week after the week the lot was allegedly used (at 25,000 airbag modules produced per week), which meant the potential exposure was 75,000 vehicles.

#### Solution

MAN-IT, VIA Information Tools' manufacturing information tool, enabled the Tier 1 supplier to serialize tracking of the airbag module, which gave them a report that included the serial number of the finished good part, the container it was in, and the customer and plant to which it was shipped.

#### Result

MAN-IT identified the parts that needed to be recalled – a total of only six. The Tier 1 supplier called the automaker and gave them the corresponding serial numbers. This allowed the automaker to identify the affected vehicles and to repair the vehicles at the owners' homes. So instead of recalling 75,000 vehicles, only six vehicle owners were affected, saving the Tier 1 supplier tens of thousands of dollars.