

Collaboration: from manufacturer to end user

NOTE Windsor's logistics manager, Brendon Jones, explores some of the key challenges facing the electronics industry from accurate stock information to reel recycling

The last two years has seen every aspect of electronics manufacturing face challenges from material availability, cost and lead time to logistics and communications. Ever-increasing demand for new and improved electronic products, coupled with exceptional events including factory fires and labour restrictions, have led to increased costs and extended lead times.

Such factors have led some OEMs to depend on the component manufacturing sector to flex its muscles in securing as much supply as it can, in an already constrained market.

Another knock-on effect of rising demand was the increase in warehousing required to process large shipments from the manufacturers to the smaller shipments required for each of the distributors' customers. This impacted franchised distribution's ability to communicate accurate availability and delivery information in a timely manner.

Most buyers have little or no influence over these issues, so making use of supply chain relationships fostered over many years is key to providing as much accurate information as possible for planning production output and meeting customers' expectations.

An increasingly important tool is the distributor's website. However, in current times this information is

often out of date within hours, particularly regarding available stock and open order book delivery information. In a world reliant on information, it is critical that information is updated daily, if not hourly. One supplier offers information so current we can respond to changes promptly and minimise the impact on customers. More of this throughout industry would make reaction and planning far more effective. This does not remove the need for direct communication. The personal touch is important given distributors are our bridge to manufacturers. However, a fully functioning website reduces emails and saves time.

Live data also reduces RFQ noise in the market. Previously, polling all our independent suppliers created fictitious demand which consequently drove up prices, particularly on the commodities most affected by circumstances mentioned earlier. By limiting RFQ output to a few trusted independents we can get the best availability and price.

Another aspect which is increasingly difficult to manage is recycling the plastic reels and trays components are packaged on. Unlike plastic trays that are easily recycled, by the nature of the cleaning process and type of plastic, reels are not readily recycled. Farnell had implemented a recycling programme however, following the pandemic restrictions, the

service was suspended and there doesn't appear to be another operator. It would be useful if the industry could establish a programme where reels could be recycled back to manufacturers to minimise waste.

These challenges are not issues any one part of the supply chain can fix. Working together we need to find more collaborative solutions, from manufacturer to end user, to overcome these.

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