

ABSTRACT

This study investigates the logistics process of imported parts in an automotive industry, in order to minimize the inventory cost of these parts, which is the warehouse rental cost. The problem is caused by the delivery lead time of these import parts, which does not agree with the exact timing needed. This makes 'T Motor Company' carry a high cost of excessive inventory.

This paper demonstrates the impact from the unmatched delivery lead time of imported parts, and proposes a new logistics process for these parts by synchronizing the delivery lead time of each part to agree with the JIT concept. Postponement is the significant theory that is applied in this study. The new logistics process leads to savings for the company in warehouse rental cost. After synchronizing the logistics process, T Motor Company can improve inventory management to be more efficient and achieve the objective of minimizing inventory costs of these imported parts.