

VELAN, OR HOW TO PLAN PRODUCTION IN A CHALLENGING ENVIRONMENT?



Design, manufacturing and maintenance of industrial valves for the nuclear industry and cryogenics.

Conventional planning worked well for Velan... until its orders doubled with the arrival of Chinese contracts.

At the beginning of the 2000s, China launched a major nuclear power program with the aim of building 40 reactors within 25 years. Velan was selected to supply the valves. In order to meet demand, Velan expanded its workforce from 150 to 250 employees, scaled up its production site in Lyon and acquired production planning software. The company managed to double its sales, which grew from €40 to 80 million. That was in 2011.

Pierre-Alain Eloy, Planning Manager at Velan, looks back at the setting up of its production planning and scheduling software solution: DELMIA Ortems.



Avant

AVANT, ça se passait comment ?

"Before, we had a conventional planning system, i.e. scheduling was performed using utility programs developed in our ERP system. There were not many orders, so planning personnel had the schedule in mind and knew which priorities had to be managed. Also, the nuclear industry is very challenging in terms of deadlines. There are numerous requirements related to safety inspections and projects are subject to change.

Before, requirements were managed empirically: we had to create Excel files and dynamic linked spreadsheets, which had to be redone every time a requirement changed."

€73 M

in sales in 2017, more than 60% of which was achieved with exports.

How do you work now?

"Now, the planning software gives us improved visibility over the production of parts. We have online access to all orders, with timeframes of 24 to 48 months, including what needs to be manufactured and invoiced. It gives us accurate long-term visibility over a huge amount of data (150,000 operations). As soon as a requirement changes, planning is automatically updated.



Now

On a daily basis in the factory, the **Ortems software flags up bottlenecks and overloads, for each week and each workstation.**

We retain control over finding solutions to smooth out production ourselves (by subcontracting, using overtime, switching priorities in the production unit, etc.)"

COMPANY FACTS

VELAN, FACTORY IN LYON



BUSINESS :
design, production and maintenance of valves and steam traps for all major industrial applications.

EXPERTISE:
industrial valves.

FORMATION OF VELAN LYON: 1972

PARENT COMPANY:
Velan Inc (Canada)

EMPLOYEES: 250

CLIENTS : the energy industry, in particular the nuclear sector (80% of business volume).

KEY FIGURES:
In 2017, sales of €73 M (more than 60% of which achieved on the export market).

KEONYS solution used for production simulation:
DELMIA Ortems.

What are the benefits for the client?

- Confidence in Velan's ability to deliver within renegotiated deadlines, despite the challenging nature of the industry: "We have better control over deadlines, because we can plan ahead, chase up suppliers at the right time and monitor manufacturing very accurately. For example, last year, we managed to reduce spare part delivery times by 30% and we achieved a 90% reliability rate in relation to our commitments."
- Remaining informed with regular and accurate reporting on production stages.



What are the benefits for Velan?

- Being able to take on a greater number of orders and growing sales.
- Reducing delivery times with improved forward planning and smoothing out of production.
- Smoother collaboration between the various departments: production, design, purchasing, project management, etc. All teams have access to forecast dates for the production of parts and can therefore better manage difficulties as they arise in order to secure deadlines.
- 25% reduction in work-in-progress ("Before, in order to ensure deadlines were met, we produced as much as possible, whereas now we produce exactly what we need and in the right order").

Benefits



Keys to success

- Effective communication with teams regarding the benefits of the tool and assisting them step-by-step as "it requires the various departments to change the way they do things."
- Planning ahead for integration of the tool in the ERP system with the IT department.
- Benefiting from customized configuration of the tool by the DELMIA Ortems teams.

Pierre-Alain Eloy
Planning Manager at VELAN

" We chose the DELMIA Ortems planning solution because because it was the only one to offer a management in project mode and to adapt to the size of our contracts, ranging from a few weeks for standard equipment to one to two years for specific items for highly demanding markets (two to three years of manufacturing in the machine). "