



Digitalization Challenges in Engineer to Order Manufacturing

a Norwegian perspective focusing on
manufacturing logistics

Prof Jan Ola Strandhagen and colleagues

Hope to welcome to AIM 202X







www.smartlog.no



Strandhagen Båtbyggeri

n, Ole Trondson Siger-
dd på garden Sigerset i
1849. Han hadde fem

han vart kalla i dagleg-
opp hos tanta og onke-
garden Årset i Veøy. Eg
det slik at han var på
n var 10 år til han var ca.
el.

Årset hadde mykje skog
bruk. Ola hadde derfor
sitt daglege arbeid
og materialar. Vi veit
begannte med båtbyg-
et er sannsynleg at det
ta han var på Årset.
fortalt at det var van-
ardar i bygda å bygge
mellom onnené.

g med Brit Slemmen
885 kjøpte dei garden
Indre, og tok då
som slektsnamn. Dei
men fire av borna
alder. Av dei som
far min, Thorvald,

kan hugse av båt-
gjekk for seg her.
r Glimt, som vart

bygd i 1926. Eg var da fem år gam-
mal. Eg hugsar også at det var folk
frå Skarbøvika her i samband med
båt. Det må truleg ha vore etter
1926.

For å skaffa fram fleire opplys-
ningar om båtbyggeriet i Strandha-
gen, har eg bede naboen min, 92-
åringen Karl Hovland, fortelje frå
den tida. Han arbeidde der sjølv i
periodar og har førstehands kjenn-
skap til saka.

Karl fortel at Ola var i arbeid hos
båtbygger Hammerås på Vestnes,
og var i 1874-75 med på å bygge
den kjende seglskuta *Hermann
Lemkuhl*. Det er truleg at han
hadde ein del erfaring frå før, for
han vart tilbydd formannsjobb på
dette oppdraget. Men han
seg tilbodet, då han me-
ikkje var kompetent for opp-

Etter at Ola hadde kjøpt
hagen, begannte han å
færingar og trerøringer i naustet. I
den første tida var brorne hans,
Trond og Kristoffer, med på dette
arbeidet.

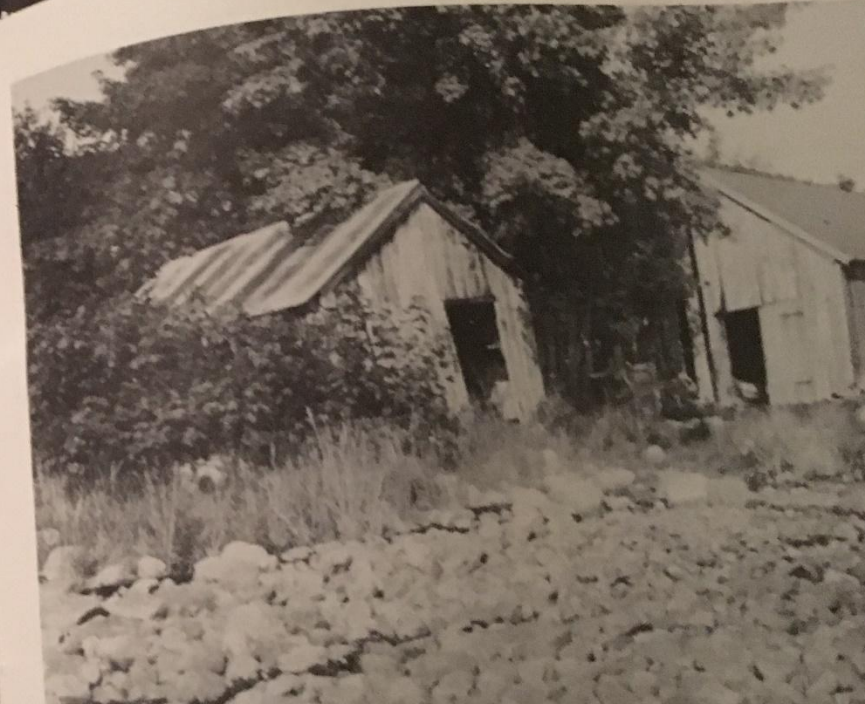
Men Ola hadde lyst til å prøve
seg på større båtar. Han bygde der-
for nytt naust eller arbeidshus på

omtrent 8 x 15 m. Dette måtte på
grunn av terrenget byggast med
langsida mot sjøen. Det vart derfor
noko tungvint når båtane skulle sjø-
settast. Når plassen tillet det, vart
båtane bygd inne, men nokre større
båtar vart bygde ute.

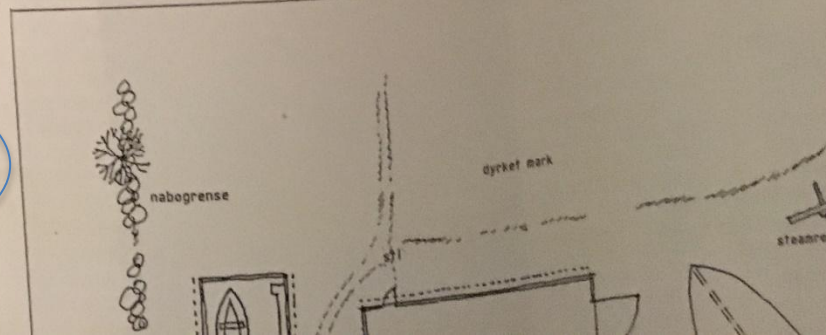
Karl nemner nokre av båtane han
hugsar vart bygde her: I 1904 vart
det bygd ein klinkerbygd dekksbåt-
for motor. Den vart bygd for 17 år
gamle Nils Sandøy, seinare kjend
under det legendariske namnet
Sjøfokk-Nils. Så meiner han at det
vart bygd ein 50 fot stor mudder-
pram. Prammen vart bygd i samar-
beid med Nils Bolsones, og skulle
nyttast i Ålesund under gjenreis-
inga etter brannen i 1904. Vidare

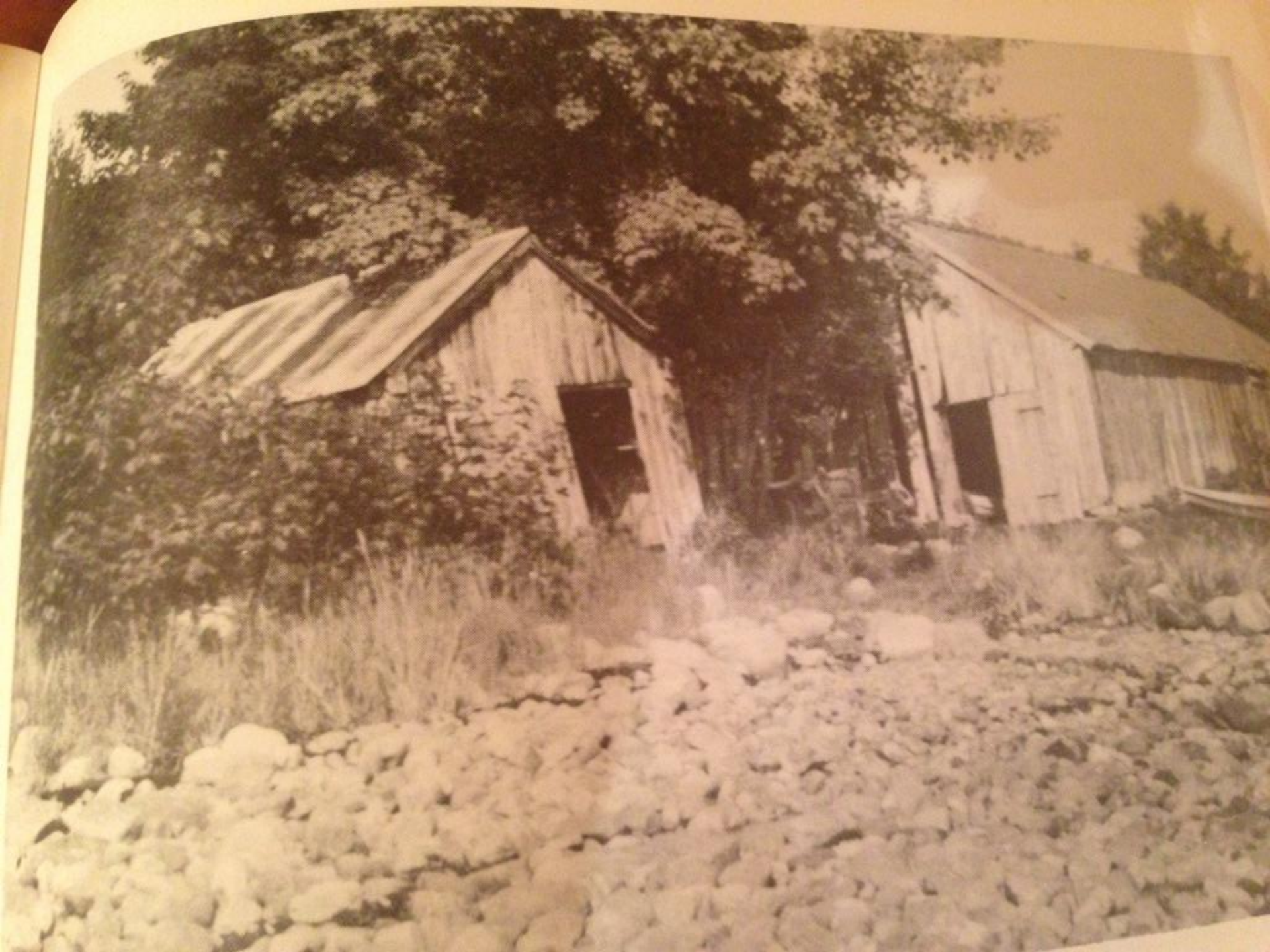
Knut Skarbøvik i Ålesund. Dette var
kanskje den siste båten som vart
bygd her.

Karl seier at Ola var kjend som
ein dyktig båtbygger. Han laga sjølv
modellane sine, og hadde uvanleg
godt handlag med det verktøyet som
vart nytta den gongen. Han var
også interessert i «tekniske hjelpe-
middel», og laga kvernkallar og
kvisthoggarar til eige bruk og til
naboar. Han sette skovlhjul på
færingen for å få jamnare drag
i hammerseininga.

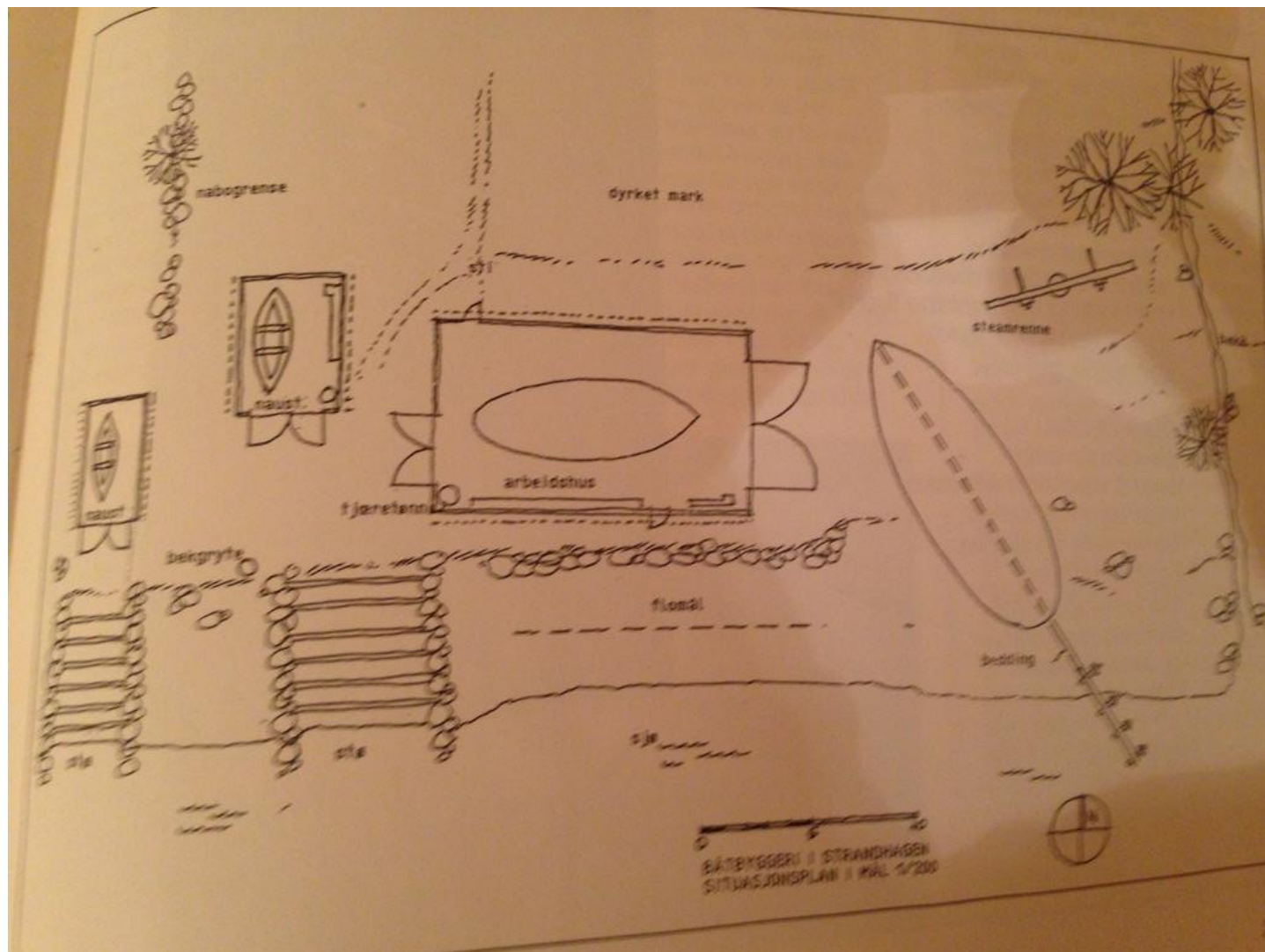


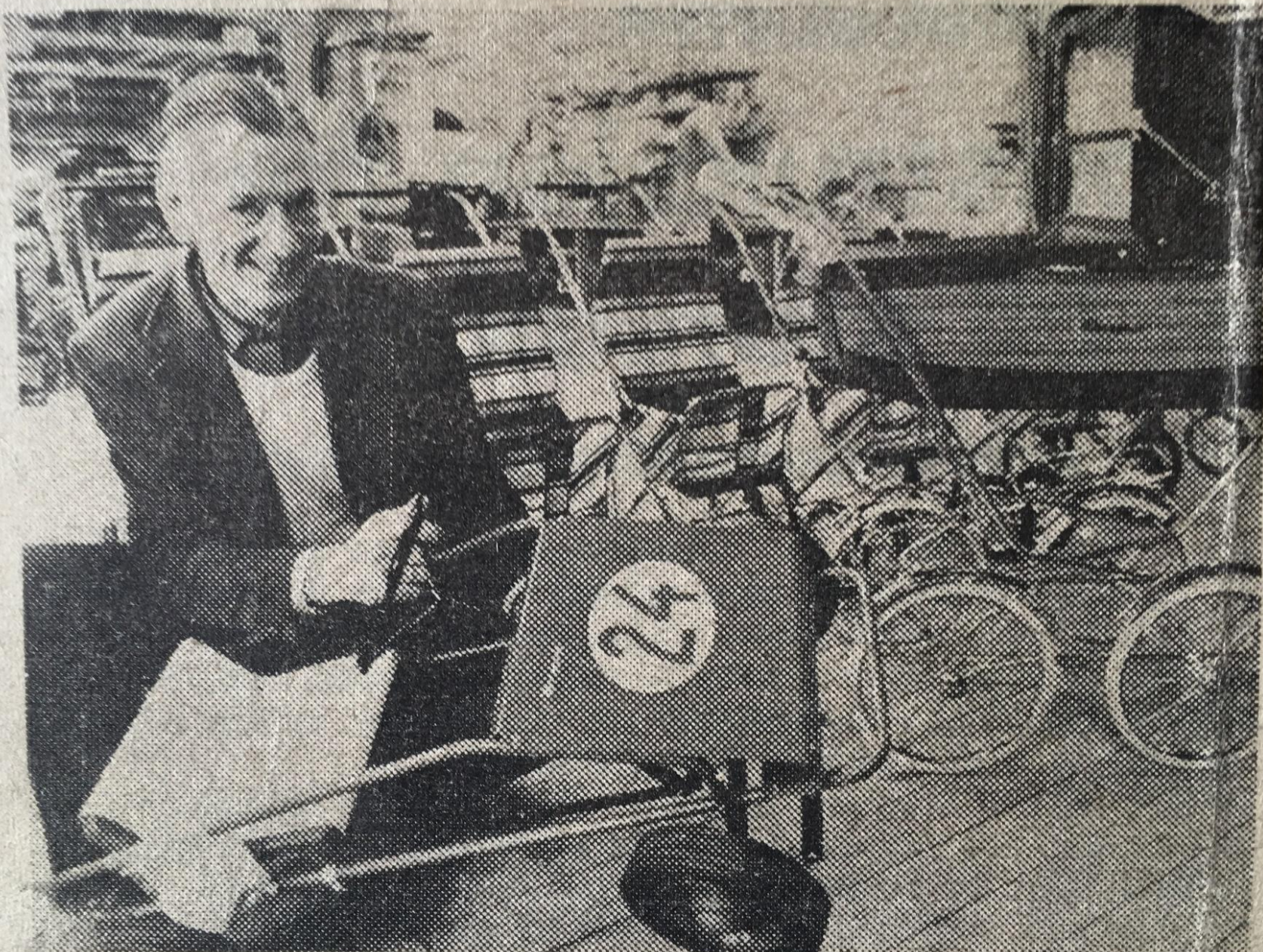
Not enough capacity nor capability





«verftet»..





Driftsingeniør Odd Strandhagen med noen av produktene, barnevog-

G
H
N
P

ni
i
ga
tru
stå
pro

Me





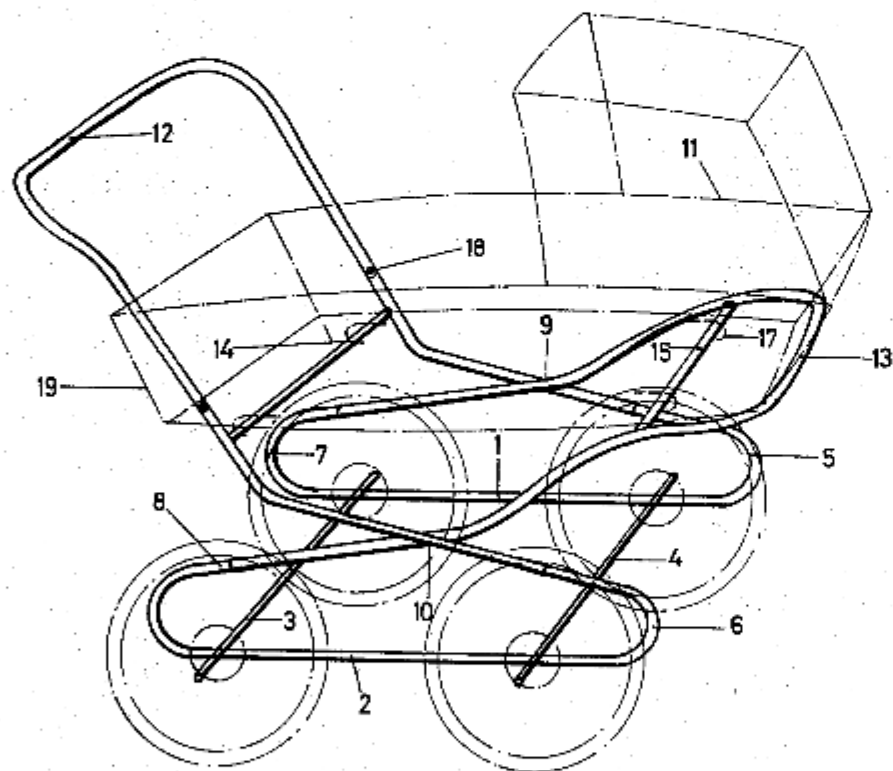


Fig. 2

INVENTOR.
ODD STRANDHAGEN

BY: *James Davis, Phillip K. Kasper*
ATTORNEYS

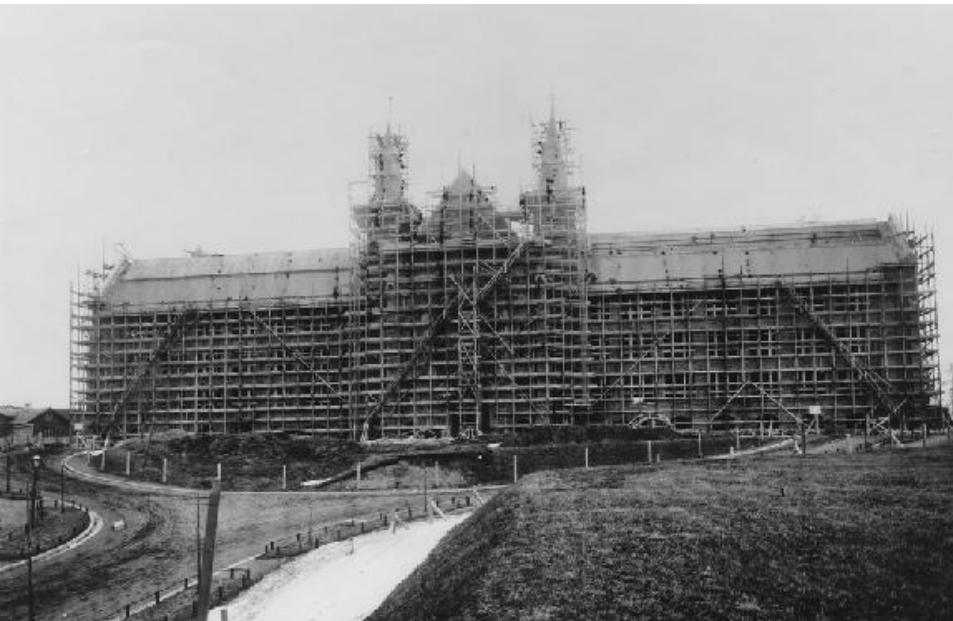


Photo: Schrøder, Trondhjem



Photo: Mentz Indergaard, NTNU Info

1905-1909

1910 -2019





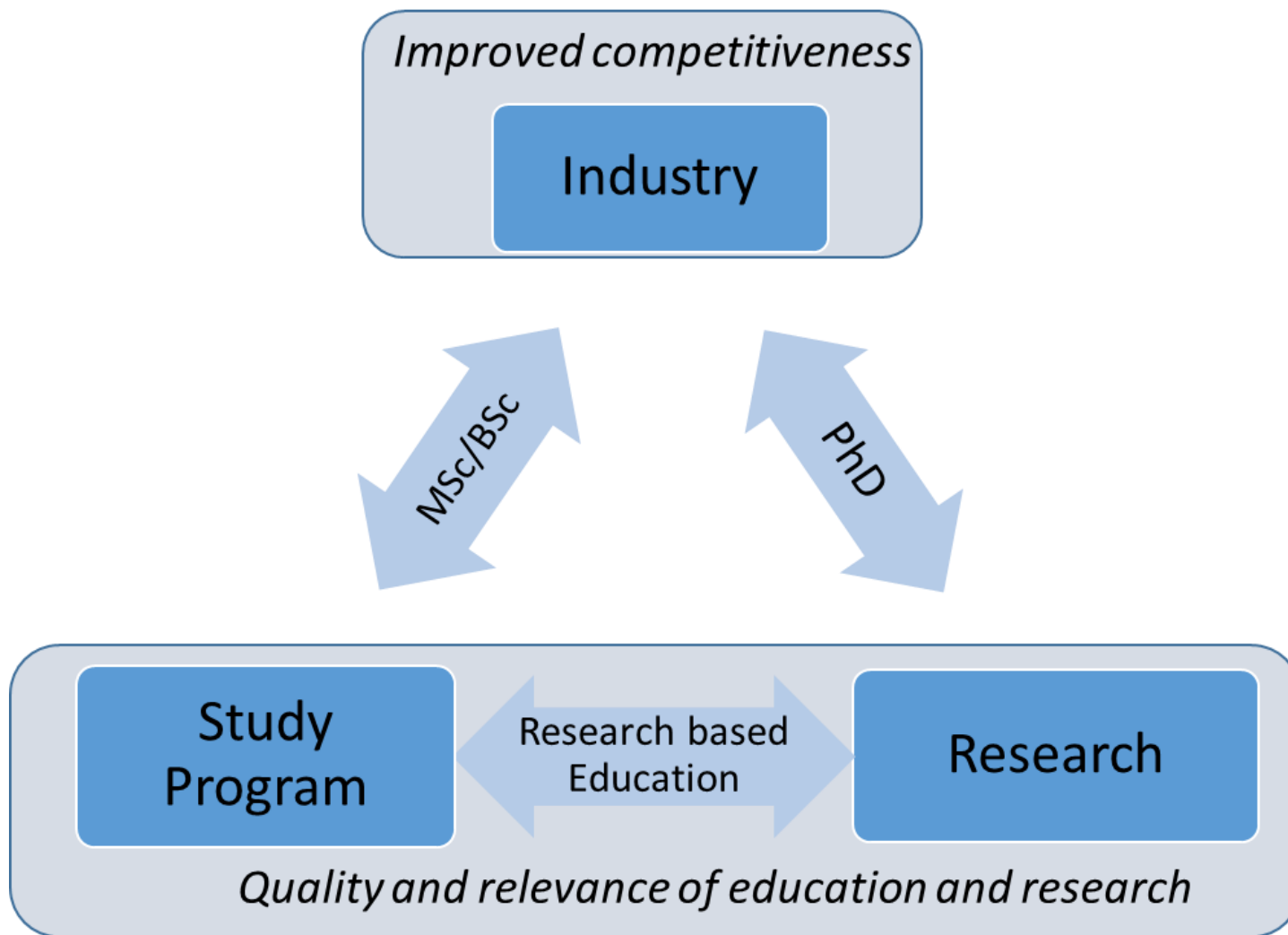
38 000 Students

Full range university

Norways leading university in technology

Campus in Trondheim, Ålesund and Gjøvik

How we work







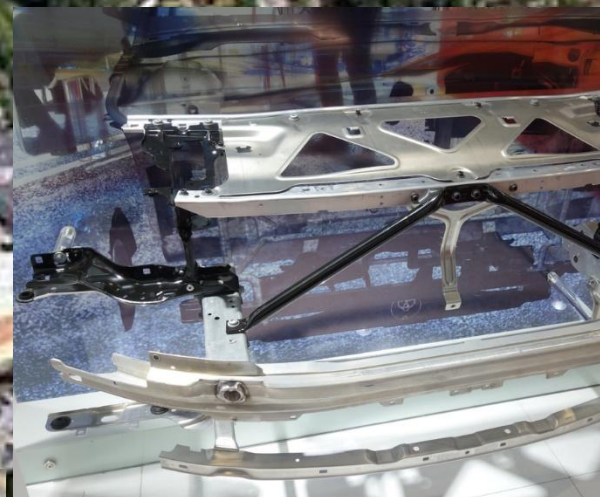
*PIPE*LIFE 











RaufossTM
COUPLINGS



Nammo

BENTELER 

NEUMAN
ALUMINIUM
RAUFOSS



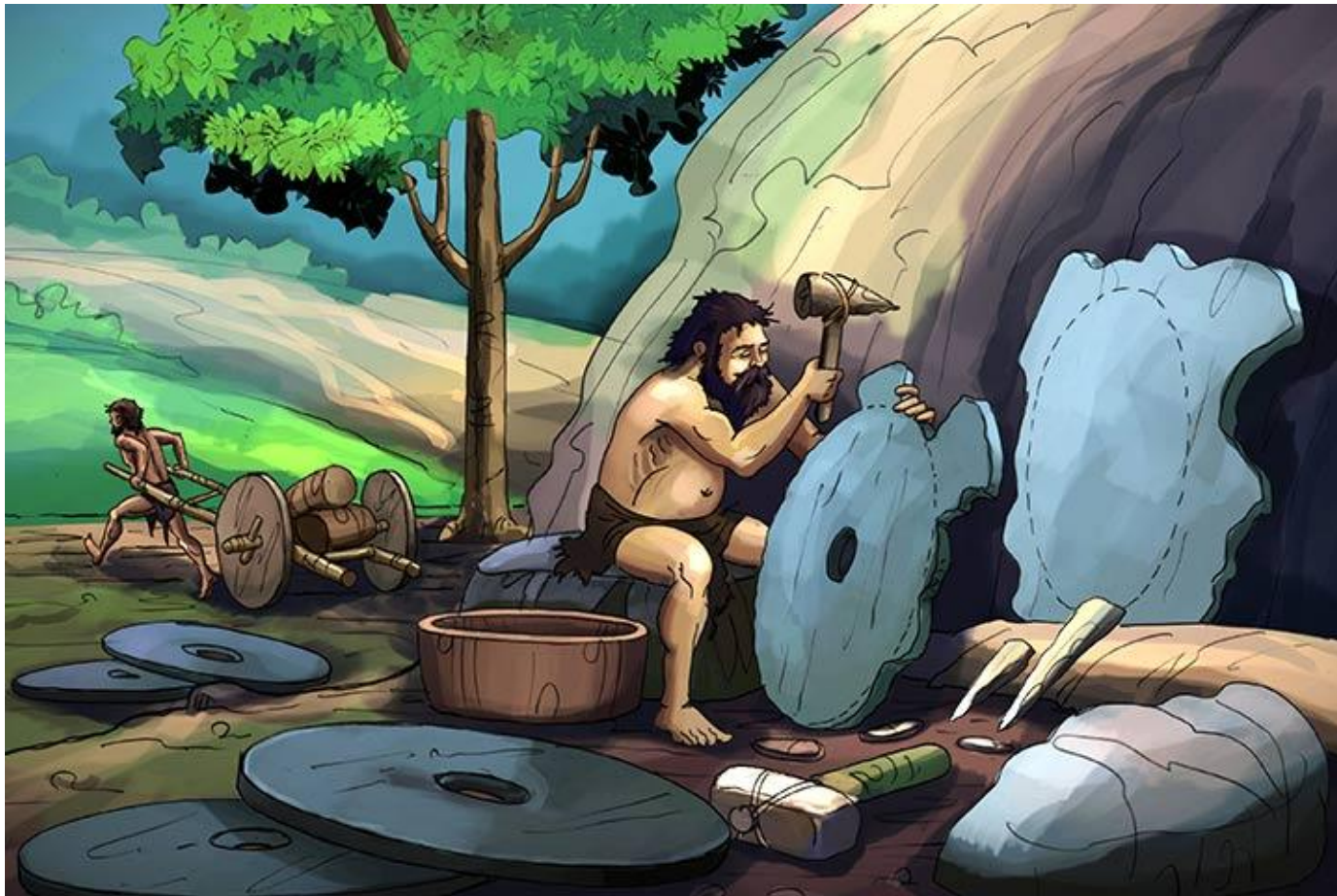
ology







Lookback to production...





The yard Arsenale di Venezia (1500..)

- Main gate built in 1460
- Outfitting and producing fully equipped **customized** vessels at the **rate of one per day**
- The ability to **mass-produce** galleys on an almost assembly-line process
- Standardised components
- Unique design



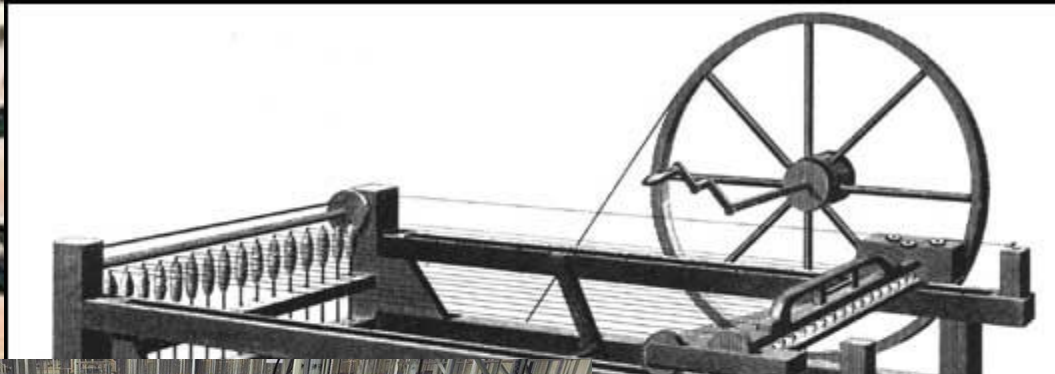
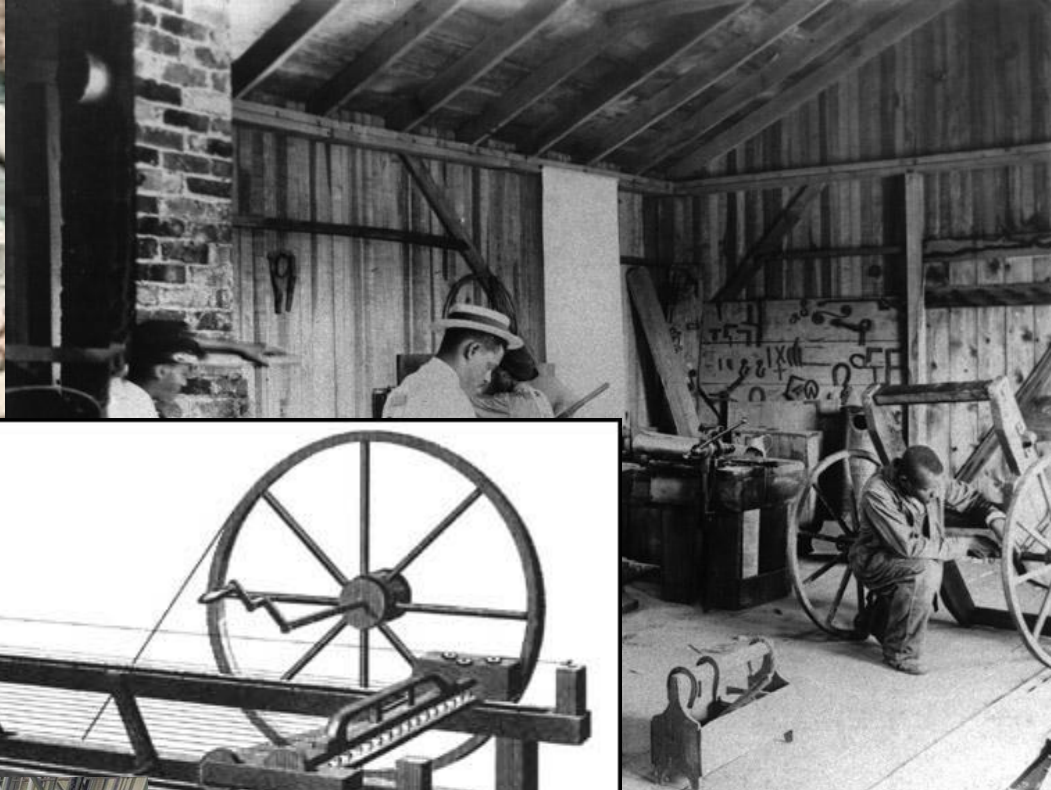
[http://www.arsenaledivenezia.it/main/gallery.aspx?gallery=23-tese arsenale vecchio](http://www.arsenaledivenezia.it/main/gallery.aspx?gallery=23-tese%20arsenale%20vecchio)

Mass customisation



personalised





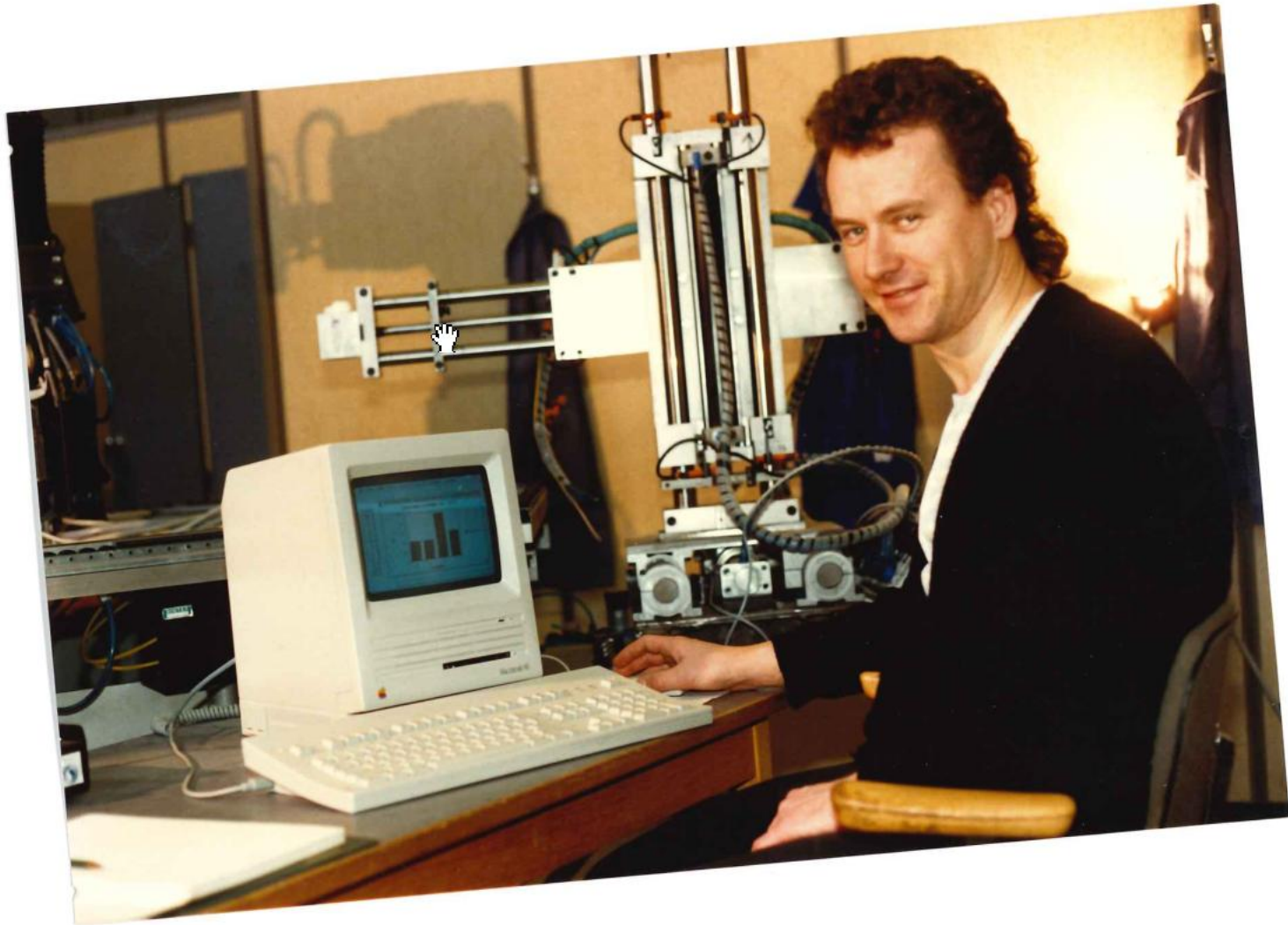
Charles Babbage (The Father of Computers) in 1834 :

"... I was sitting in the rooms of the Cambridge Analytical Society, my head leaning forward on the table in a kind of dreamy mood, with a **table of logarithms** lying open before me. Another member, coming into the room, and seeing me half asleep, called out, "Well, Babbage, what are you dreaming about?"

*"I am thinking that all these log tables might
one day be calculated
by machinery "*

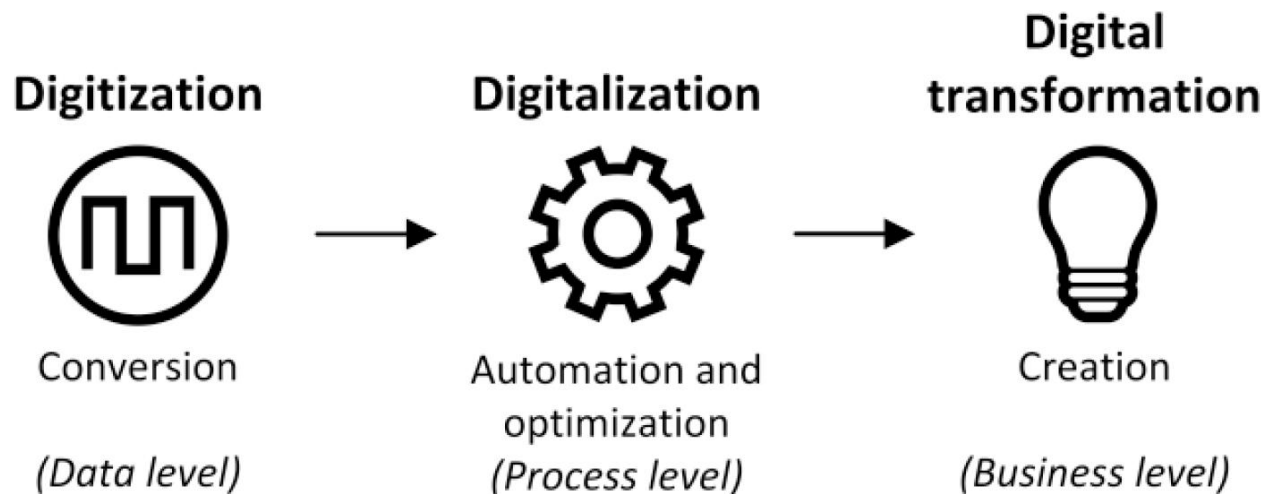






Some possible definitions..

- **Digitization:** The conversion from analog format into a digital format.
- **Digitalization:** The use of digital technology to automate data handling and optimize processes
- **Digital transformation:** Creating new business opportunities through the use of digital data and technology







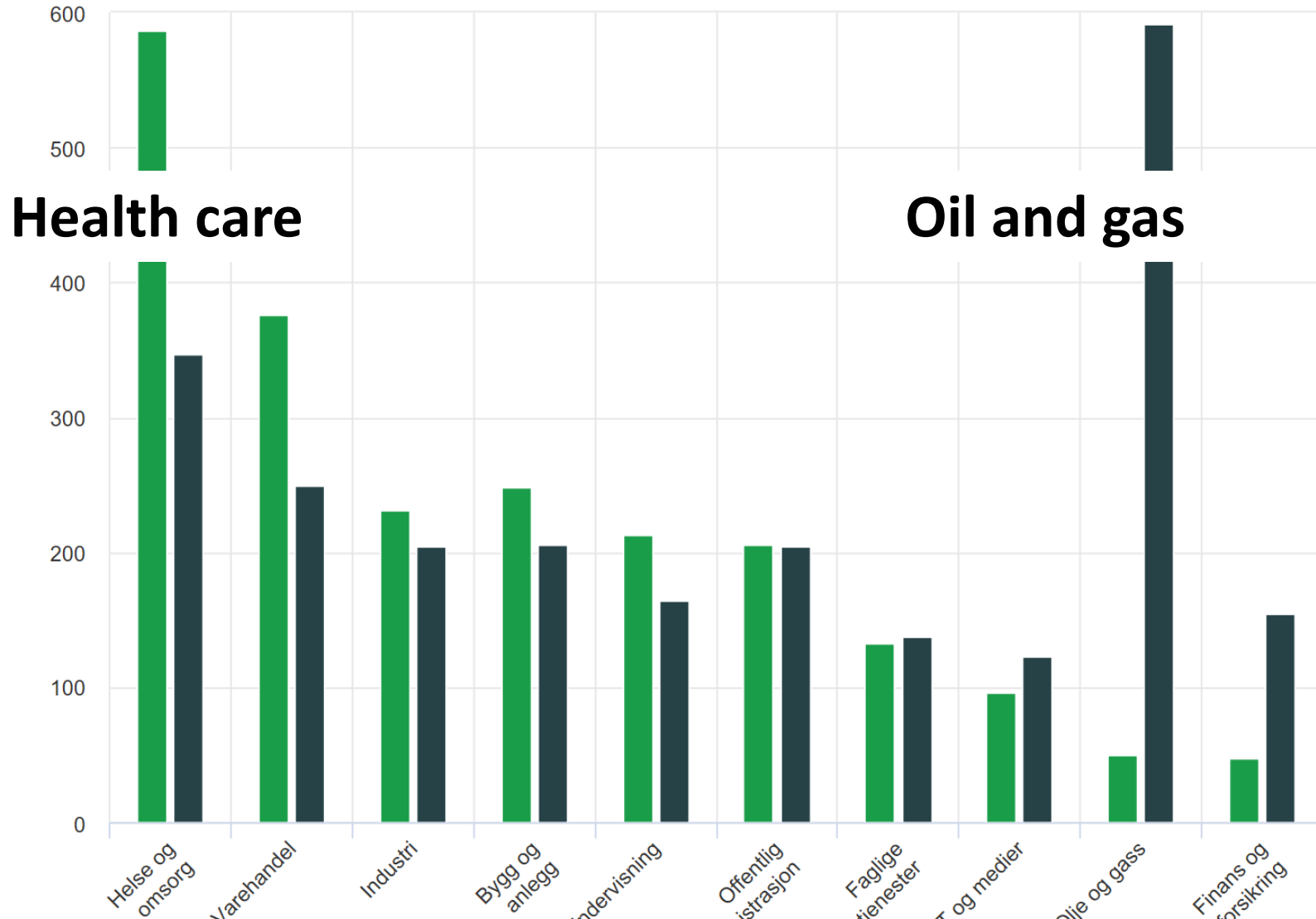
And Norway ?



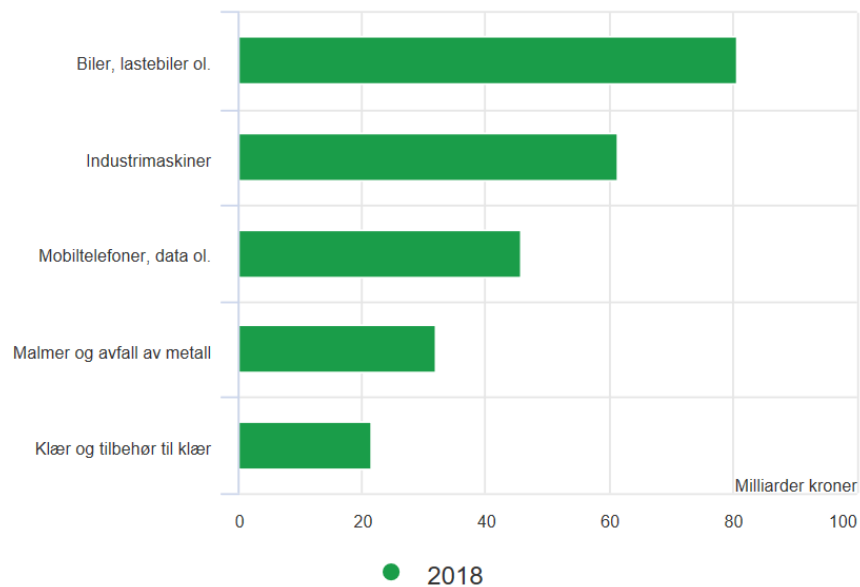
Value creation in Norway

Produksjon og antall sysselsatte i utvalgte næringer

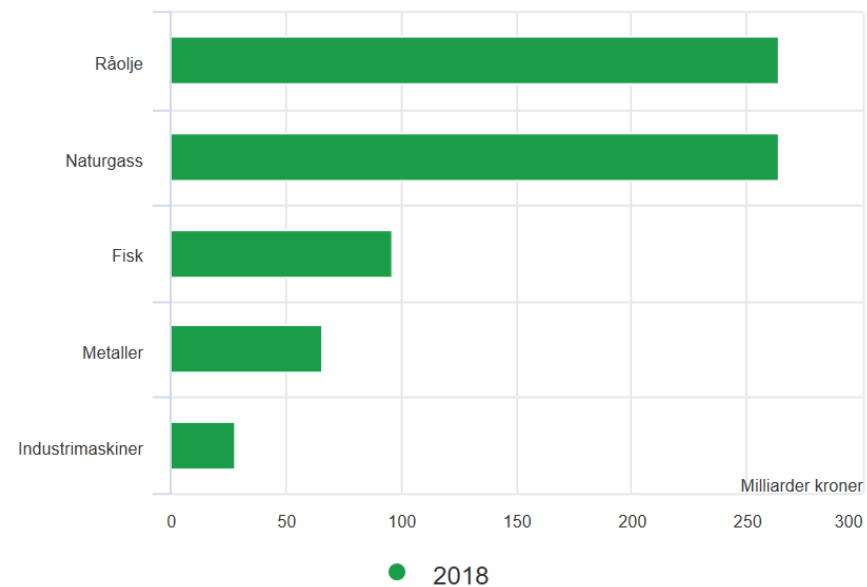
tusen personer / milliarder kroner



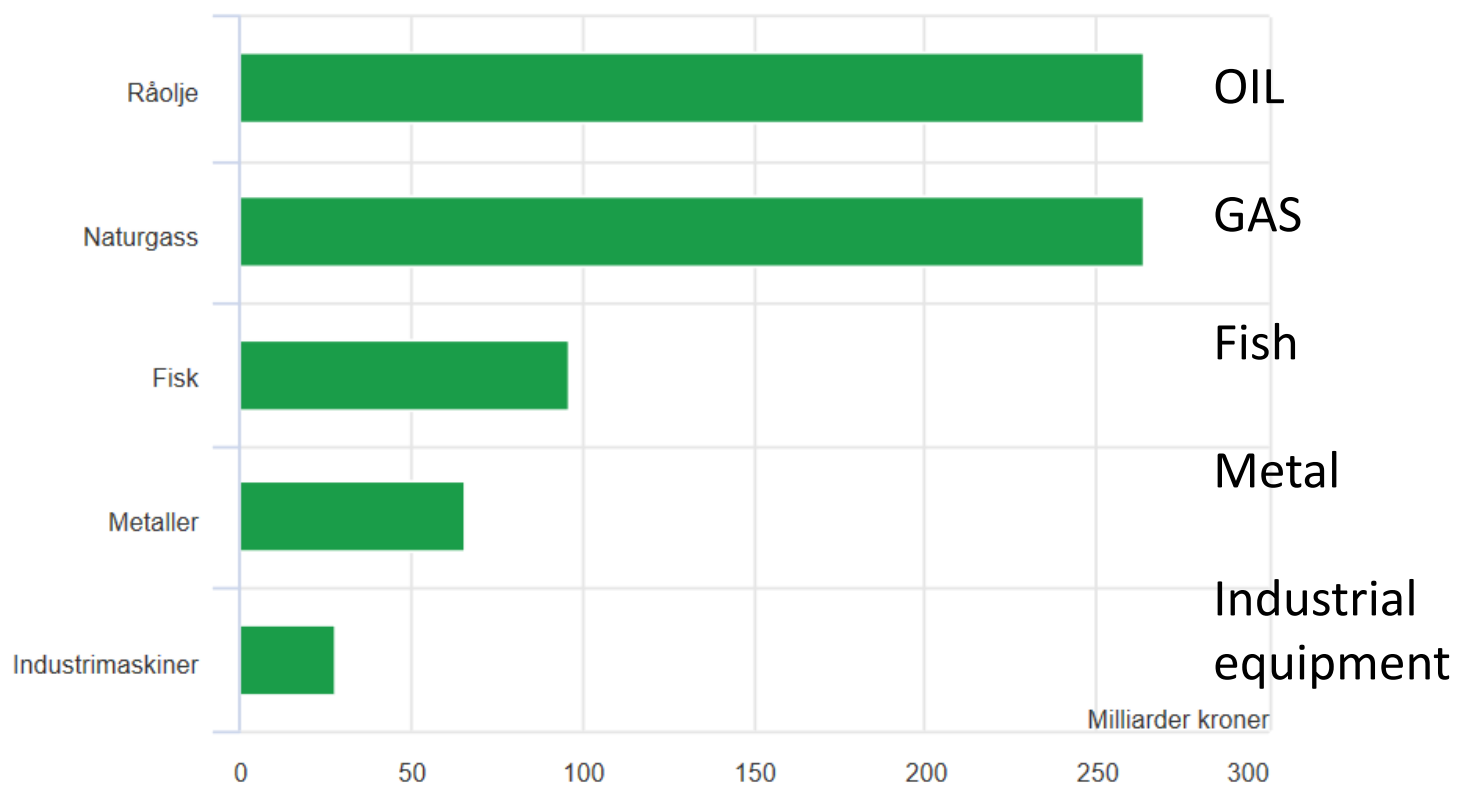
Viktigste importvarer



Viktigste eksportvarer



Viktigste eksportvarer





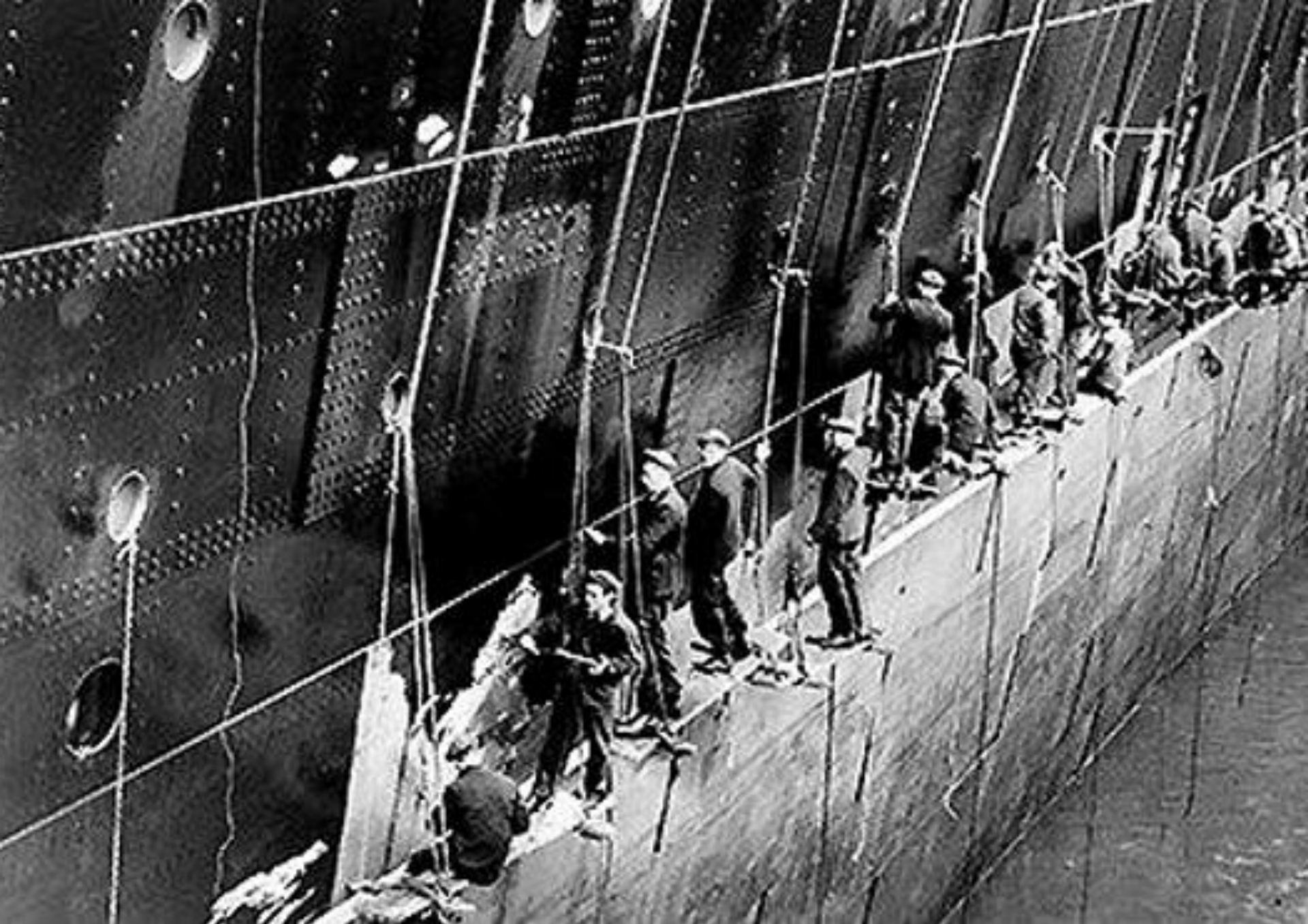
Maximum lot size....2,5



Smart, Flexible and customised

Shipbuilding in 1930s





Shipbuilding now





Even in Korea...

Samsung Heavy Industries

Daewoo Shipbuilding & Marine Engineering

Hyundai Heavy Industries i Ulsan

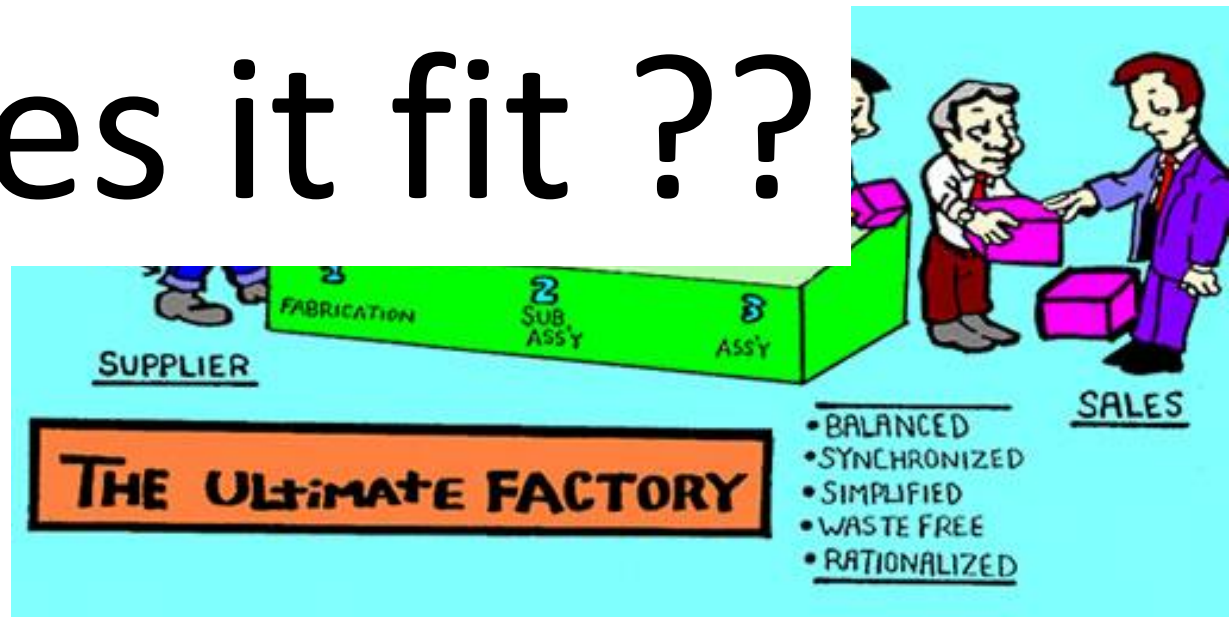
Toyota Production System

"The primary goal of the Toyota production system is to identify and eliminate waste and reduce costs"

Strives to

- Zero defects
- Zero inventory
- Zero set-up
- Zero handling
- Zero downtime
- Zero leadtime
- Zero batches
(Batch size of One)

Does it fit ??



It is unique and difficult challenge to
create digital transformation in a
situation withprocesses where
you make things you have not made
before, you are not sure what they
look like or how to process or where
they should be delivered nor to
whom ?

Production environments

Higher production volume, lower product variety

Complex customer products

Configure to order products

Batch production of standardized products

Repetitive mass production

Repetitiveness



Low volume, low standardization, high product variety
Complex products, designed and engineered to order, long lead time



Less complexity, assembled in small batches
Assemble- or make-to-order using standardized components
Shorter lead times



Make to stock of standardized products in medium to large orders
Products more complex and longer lead times than "repetitive mass production"



Products are made in large volumes on a repetitive and more or less continuous basis
Simple products (flat and simple BOM)

(Jonsson and Mattsson, 2003)

- Automation and robotization of repetitive, identical production and handling processes Solutions exist
- How to create digital transformation in a situation withprocesses where you make things you have not made before, you are not sure what they look like or where they should be delivered nor to whom ?
- And with minimum of resource consumption, both in development and operation ?

Digitalized manufacturing logistics in engineer-to-order operations

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Research motivation

- The need for coordination of material and information flows in ETO supply chains is significant [1] and tailored approaches are required for an effective and efficient management of manufacturing operations [2].
- The aspect of digitalization has not yet been sufficiently addressed for manufacturing logistics in this type of environment [3].
- Digitalization emerges as a way of managing complexity, making it a key focus area for the complex ETO manufacturing
- There is a need to investigate how digitalization can improve manufacturing logistics performance.
- Aims to identify how digital technologies can be adapted and applied in order to address the challenges in ETO manufacturing logistics.

Manufacturing logistics: the coordination of the operations related to the flow of materials through the manufacturing departments up to the production of the end product [5]

Characteristics

Product characteristics:

- Big sized, complex products with deep product structures [3, 11]
- High level of customization [9]
- High product variety and low volume on product level [2, 9]

Process characteristics:

- Manufacturing carried out as large projects in fixed position layouts [9]
- Highly integrated and overlapping activities [12]
- Frequent changes [11]
- Focus on flexibility [11]

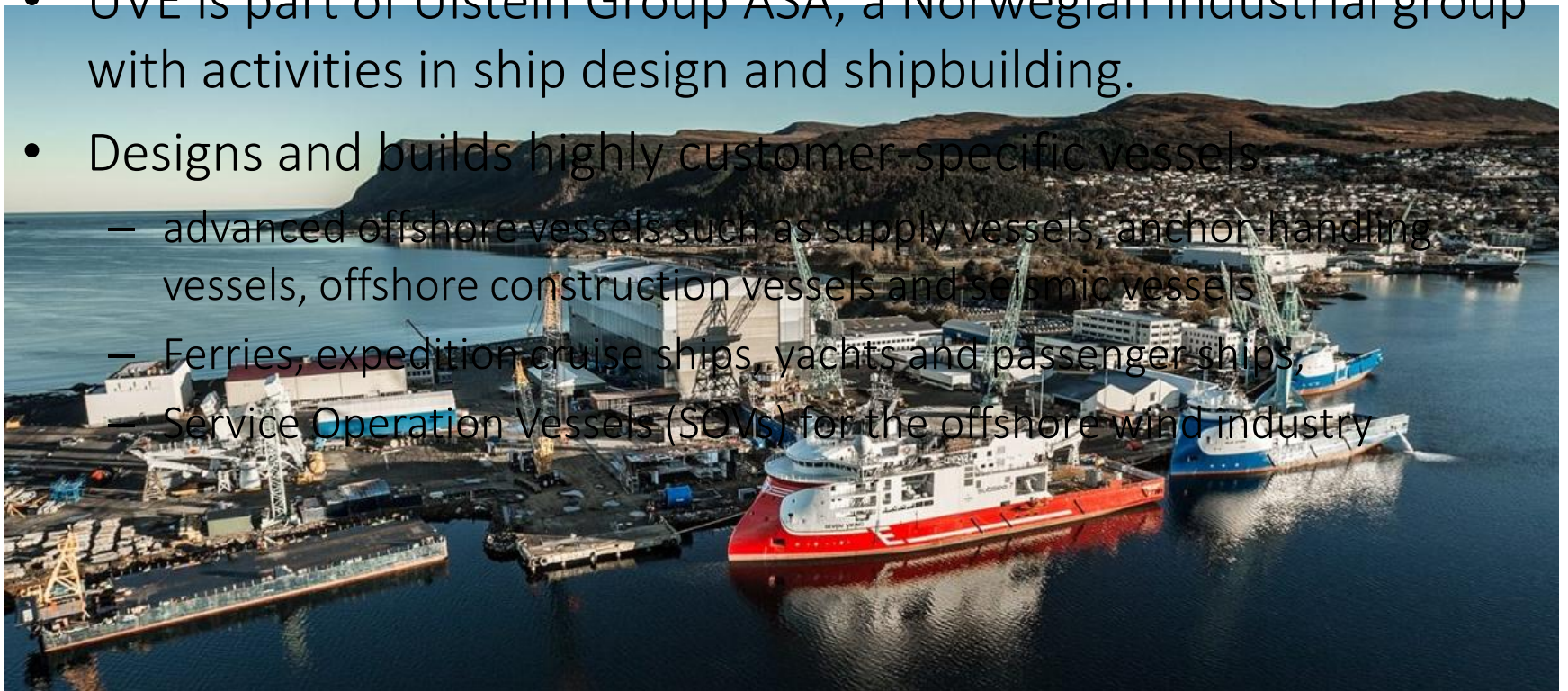
Market characteristics:

- Customer order decoupling point located at the design stage [7]
- Fluctuations and uncertainty in mix and sales volume [10]
- Uncertainty in product specifications [10]

(Adrodegari et al., 2015, Amaro et al., 1999, Gosling and Naim, 2009, Hicks et al., 2001, MacCarthy and Fernandes, 2000, Semini et al., 2014, Sjøbakk et al., 2014, Stavroulaki and Davis, 2010, Wikner and Rudberg, 2005, Willner et al., 2016)

Case: Ulstein Verft AS (UVE)

- UVE is part of Ulstein Group ASA, a Norwegian industrial group with activities in ship design and shipbuilding.
- Designs and builds highly customer-specific vessels:
 - advanced offshore vessels such as supply vessels, anchor-handling vessels, offshore construction vessels and seismic vessels
 - Ferries, expedition cruise ships, yachts and passenger ships,
 - Service Operation Vessels (SOVs) for the offshore wind industry



Color Hybrid – RoPax ferry



National Geographic Endurance – polar expedition cruise ship



Island Venture – Offshore construction vessel



Nexans Aurora – cable laying vessel



Blue King / Farland – Platform supply vessel



Polarcus Adira: seismic research vessel



Source: ulstein.com/shippreferences

Shipbuilding at UVE

- “Outfitting yard”
 - UVE is the shipyard responsible for outfitting the ships delivered by the Ulstein group.
 - The hull production is carried out at a foreign yard, before the hull is towed to UVE in Ulsteinvik, Norway.
 - Dry dock outfitting and quay side outfitting



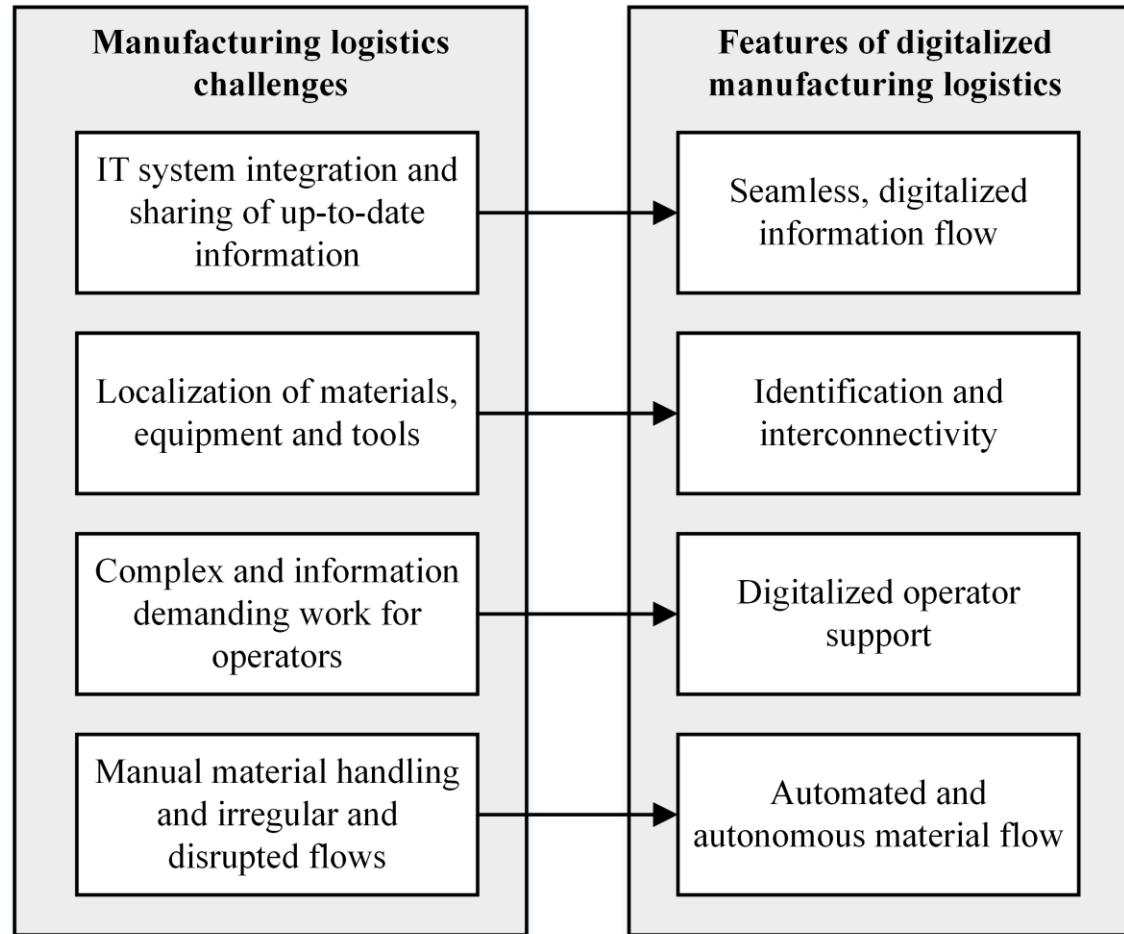
Manufacturing logistics challenges at UVE (I)

- Highly complex material and information flow related to outfitting activities with **non-repetitive and non-routine work processes**.
- Processes are prone to disruptions due to changes occurring after the outfitting activities has started.
- Challenging to achieve the tight integration of IT systems needed for efficient outfitting of the ships.
- **Paper-based documentation of product models and drawings** are critical sources of information for operators
- Operators have a particularly important role in performing outfitting activities
 - standardization and automation of processes is difficult due to the non-repetitive type of work.
- Many **operations are manual**
 - production processes, material handling and internal transportation of materials.
- Providing the **required information to operators is complicated when changes occur**, as models and drawings then must be updated accordingly.
- Difficult to have an overview of the yard from a manufacturing logistics perspective as operations are spread across a vast area.
- Materials, tools and equipment are geographically dispersed – **operators spend a considerable amount of time walking to collect or search for them**.

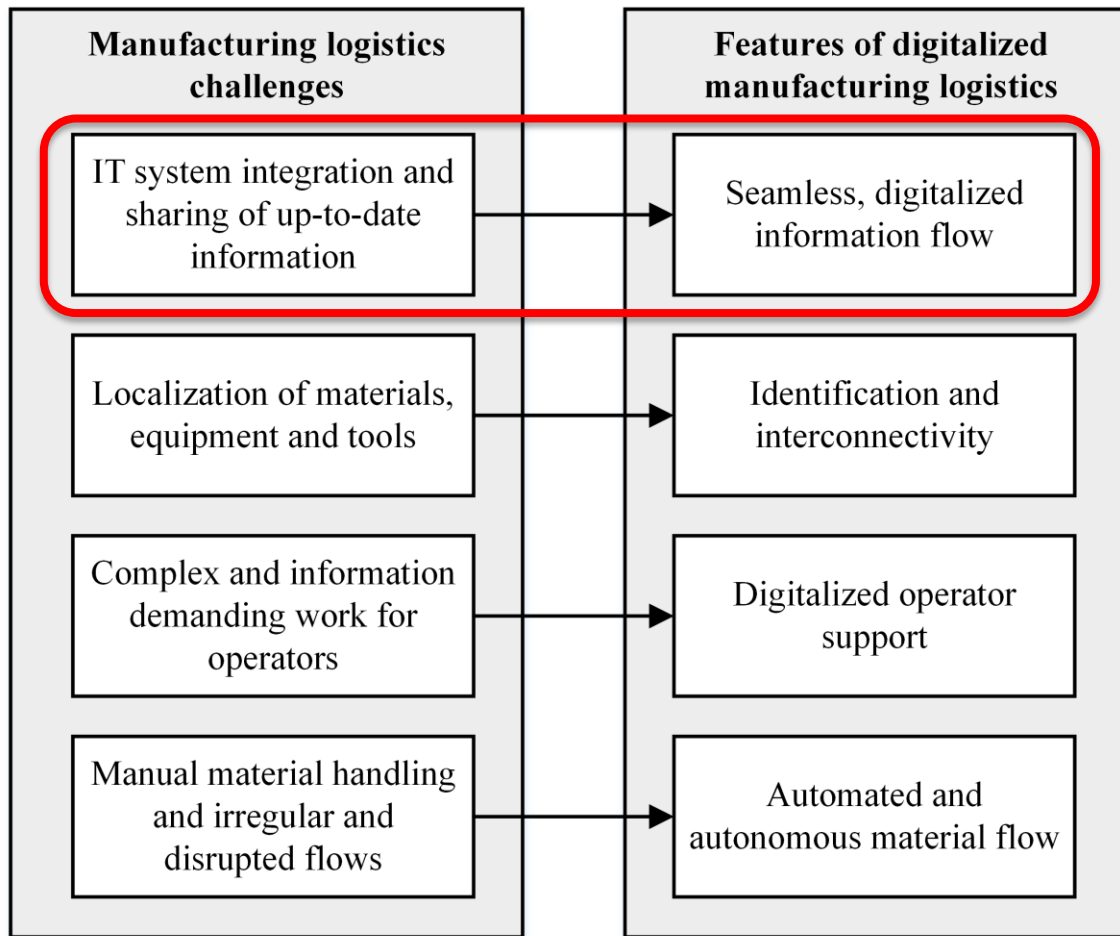
Manufacturing logistics challenges at UVE (II)

- IT system integration and **lack sharing of up-to-date information**
- Localization of materials, equipment and tools
- Complex and information demanding work for operators
- Manual material handling and irregular and disrupted flows

Features of digitalized manufacturing logistics in ETO

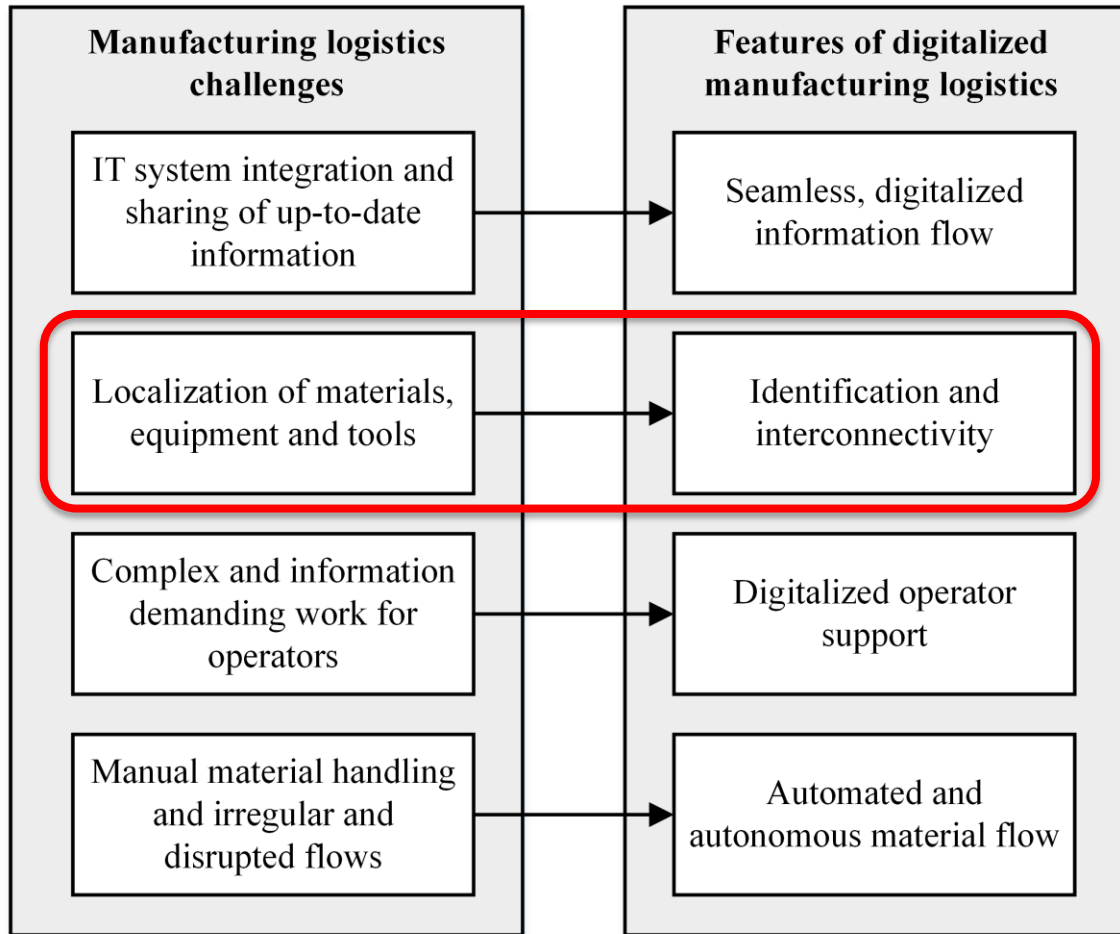


Features of digitalized manufacturing logistics in ETO



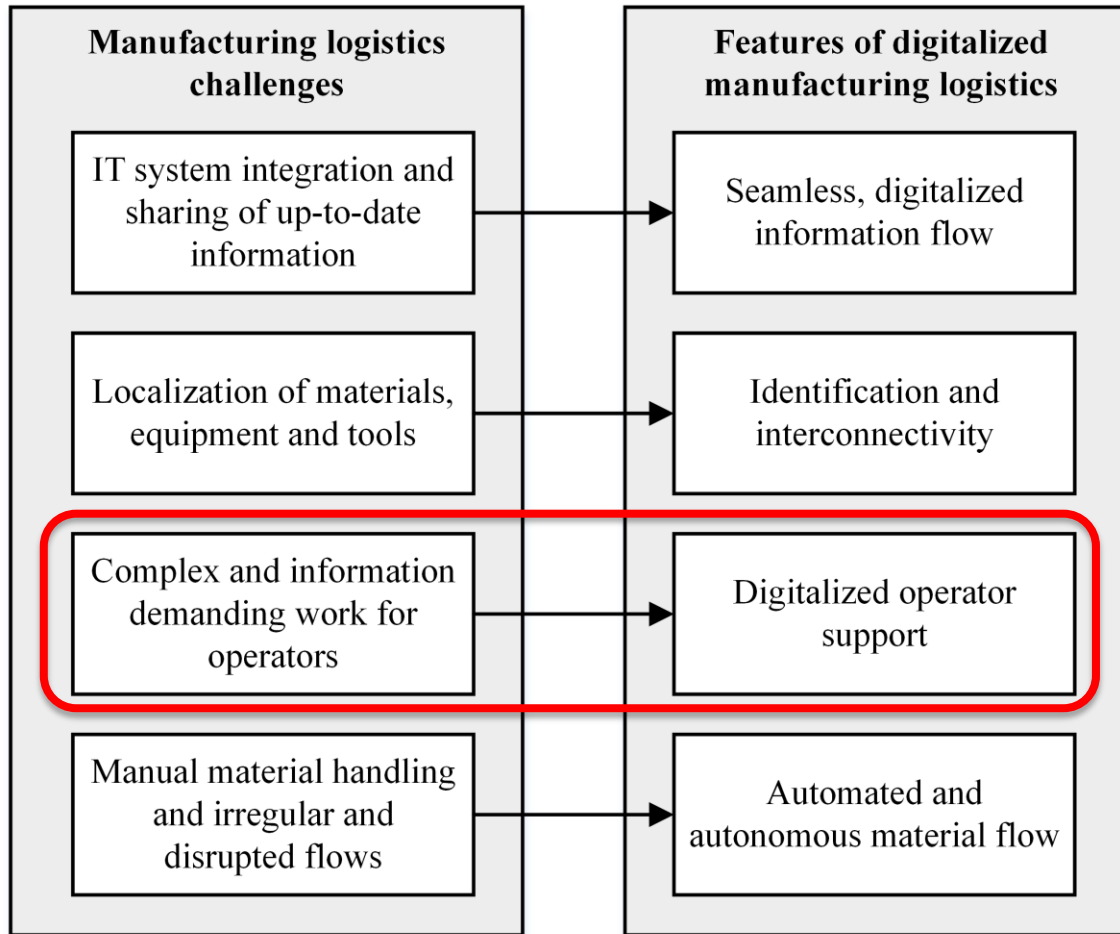
- The close integration between engineering and production in ETO manufacturing requires integrated IT systems for the efficient control and execution of manufacturing logistics activities.
- Necessary to provide operators with updated product drawings and models.
- With these challenges, there is a need for a seamless, digitalized information flow, where all subsystems are integrated.
- Information should flow continuously from the production floor to higher-level IT systems, giving access to real-time information

Features of digitalized manufacturing logistics in ETO



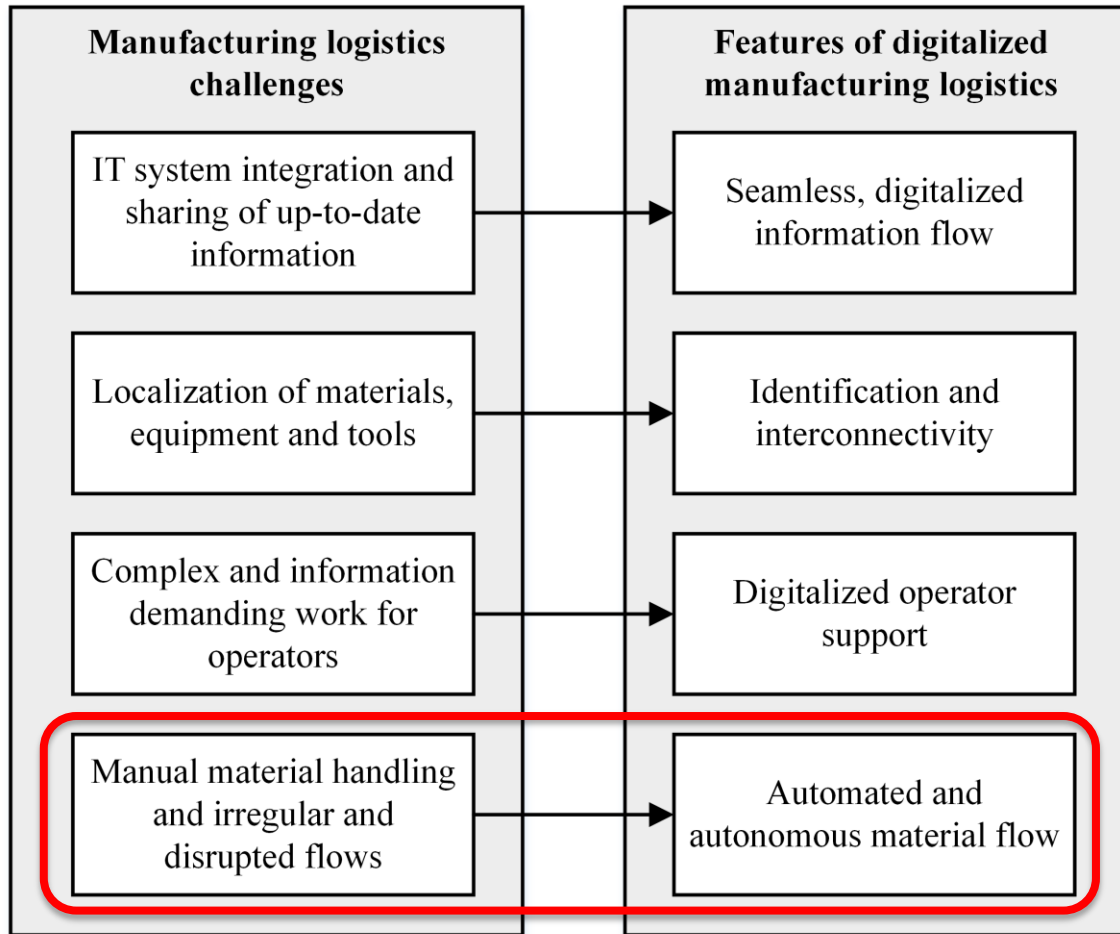
- Challenging to maintain an overview of all materials, equipment and tools necessary to perform operations.
- These challenges of localization of materials, equipment and tools requires that Identification and interconnectivity is provided through digital technologies.
- Identifying and interconnecting objects in a facility through the utilization of new technology will enable a highly integrated way of managing operations.

Features of digitalized manufacturing logistics in ETO



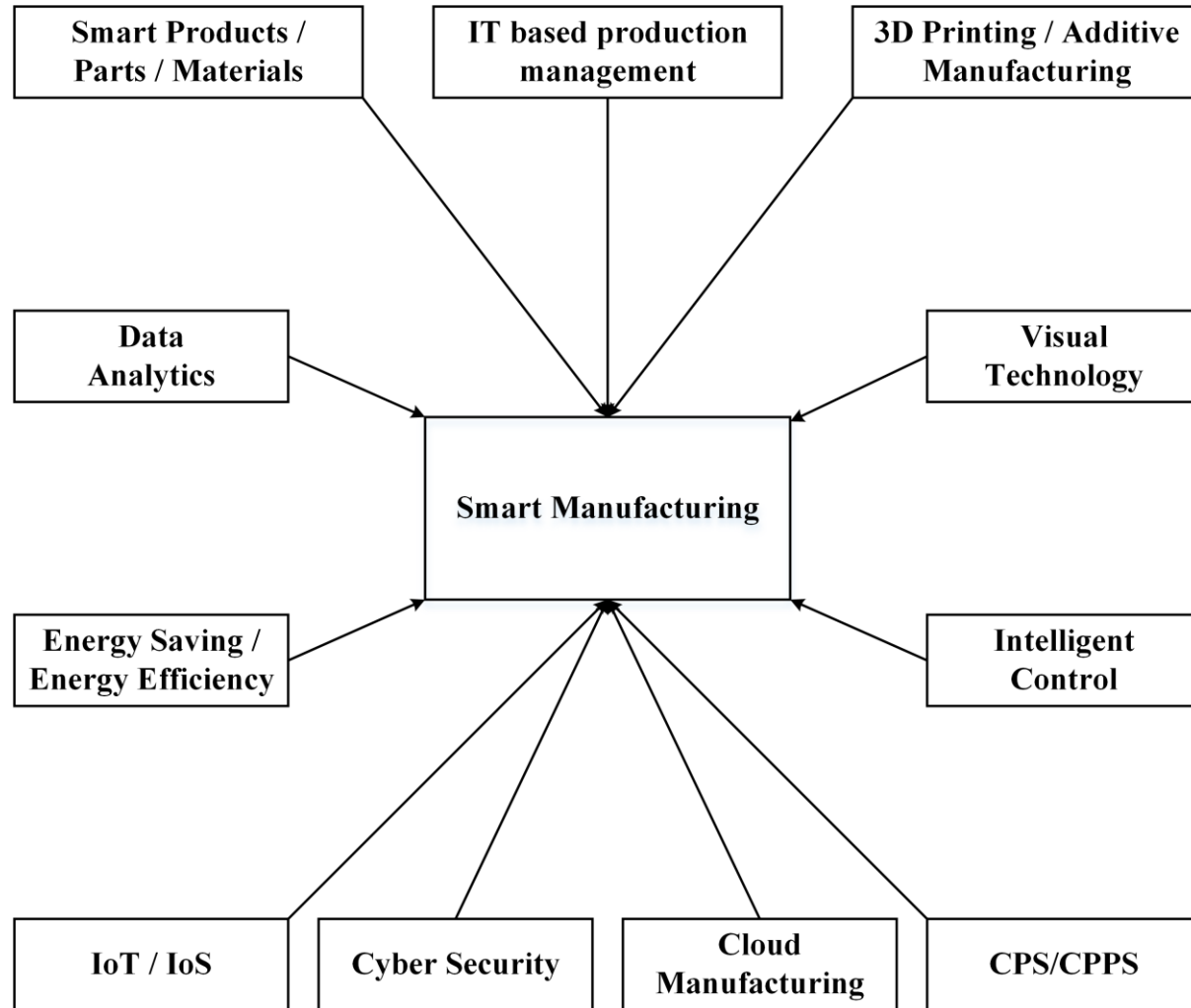
- Information about products, assemblies, processes etc. are critical for the operators to be able to perform the scheduled tasks and activities.
- Digitalized manufacturing logistics should therefore include digitalized operator support.
- Digital technologies should be utilized to provide enhanced support, giving rapid and easy access to required and up-to-date information about the processes and activities.

Features of digitalized manufacturing logistics in ETO



- With the manual material handling and irregular and disrupted material flow, there is a need for a more Automated and autonomous material flow.
- Products, components, tools, equipment and other objects can then be transported more efficiently, and with less human intervention.
- In manufacturing logistics, digital technologies can bring autonomy and automation to the physical flow of materials.

11 Technologies of «Smart Manufacturing»



Adapted from Mittal et al., (2017)

Nine technologies of Industry 4.0



(Rüssmann et al., 2015)

RFID for tracking and locating parts



(a) Precast storage yard



(b) Precast shipping trailer



(c) Pipe spool shipping trailer

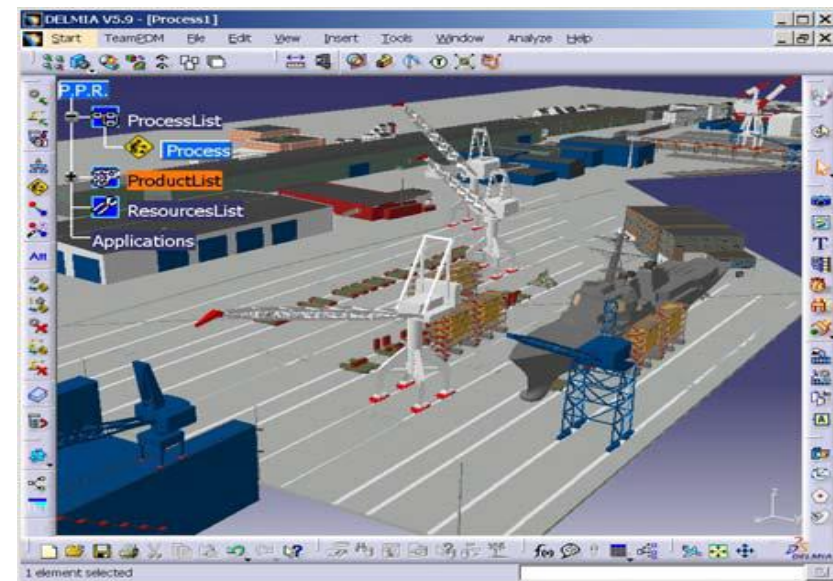
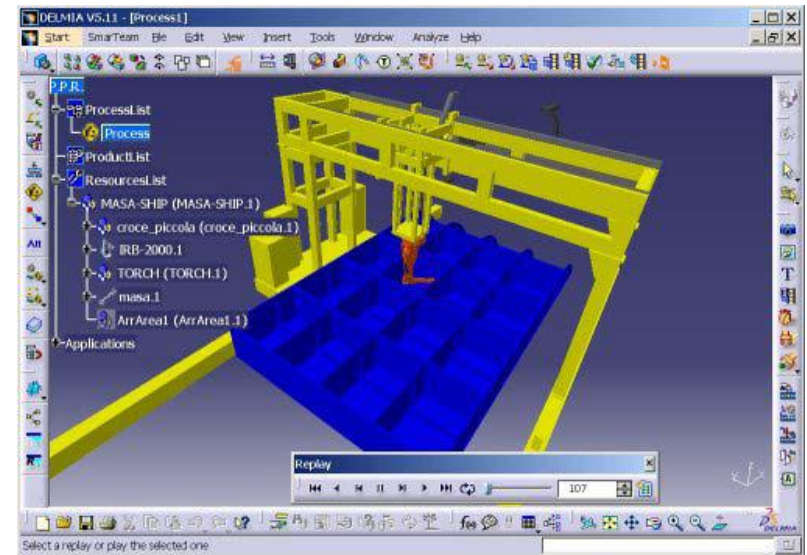


(d) Fire valves in a facility

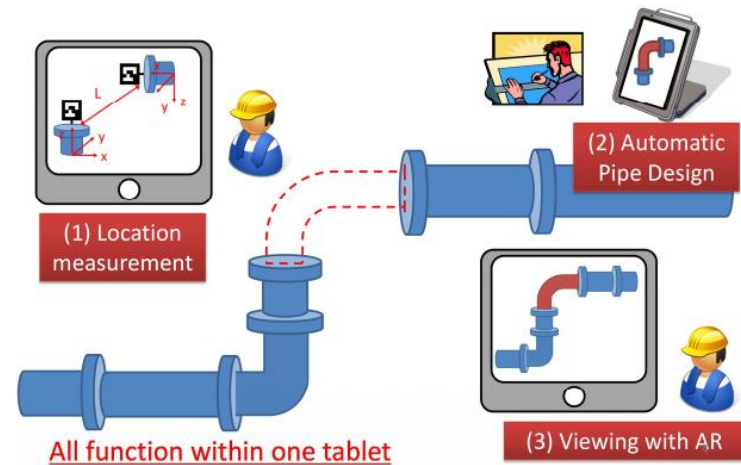
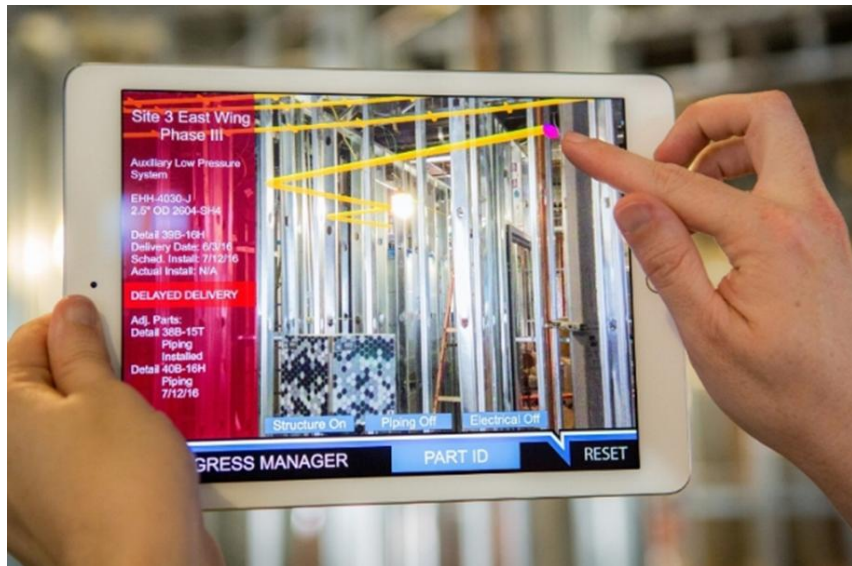


Technology

Shipbuilding simulations and digital twins



Augmented reality (AR) for outfitting support



Plant and process information sharing

- shipyard operators usually rely on paper to identify assets (e.g, pipes, machines, pallets) and determine which action should be performed according to the work orders.
- An AR application can suppress the vast majority of the paperwork by providing dynamic real-time information about the assets.
- Example:
 - information about the characteristics of a pipe shown on a smartphone.
 - contextual information like material, size and destination of each individual pipe

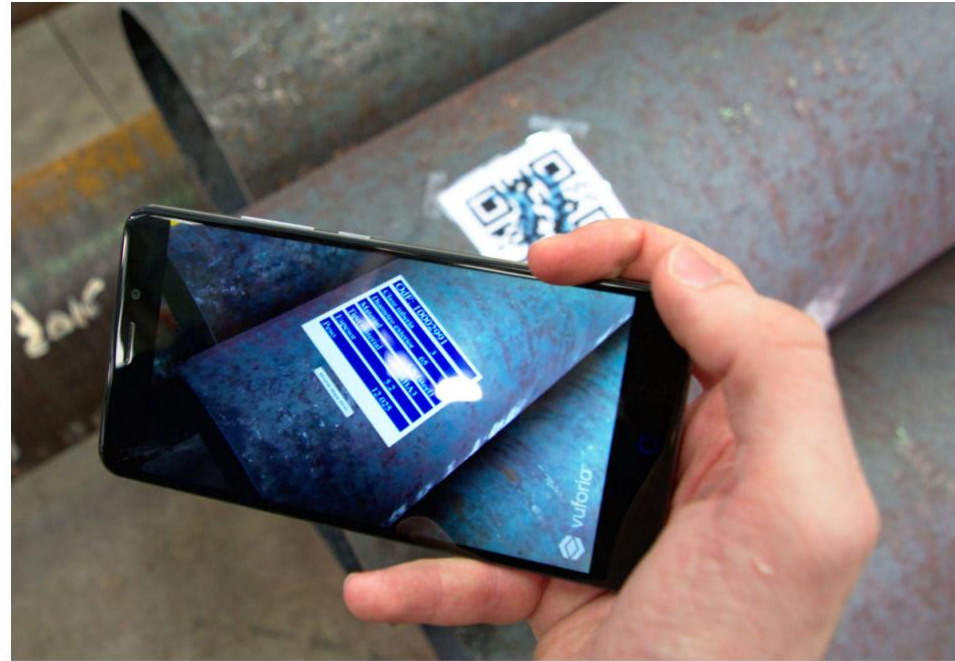


FIGURE 1. Pipe information on a smartphone.

(Blanco-Novoa, 2018)

Asset location

- a workshop context: large environment where assets can be anywhere.
- AR solutions can help to locate them by pointing at the specific place or area where an asset is.
- Example:
 - pipe location system based on active UHF RFID tags
 - The pipe location system can interact with an AR application in order to show such locations in portable devices like tablets or smart glasses



FIGURE 2. Localization of pipes using both IAR and an RFID-based system.

Visualization of installations

- in a ship it is usual that part of the infrastructure (i.e., piping, wiring) is installed behind bulkheads, roofs or ceilings, which makes its location difficult.
- AR can overlap the 3D design to reality and then show such a location.
- Monitor the shipyard infrastructure,
 - can even be linked to IoT data to show relevant notifications and variables in real time.
- Example:
 - the monitoring view of a shipyard when displayed through Microsoft HoloLens glasses in an office

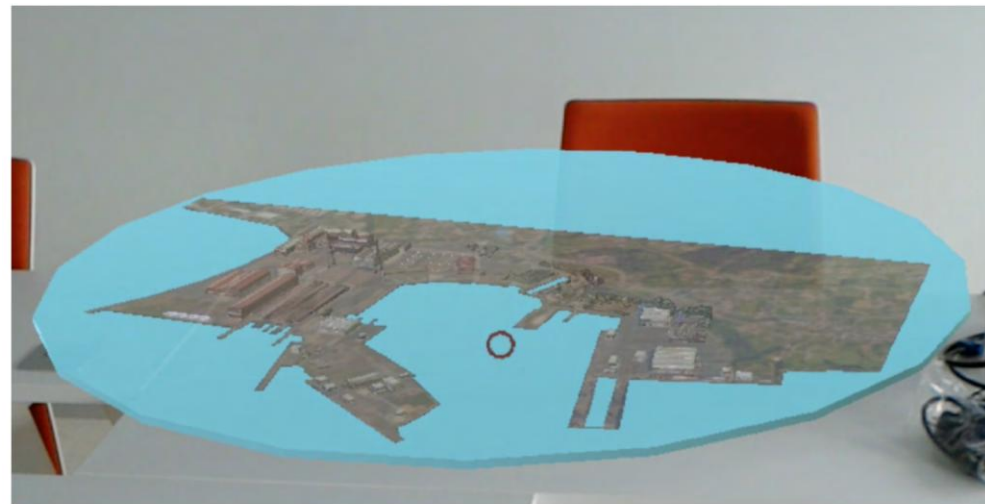


FIGURE 3. Shipyard model through HoloLens.

Warehouse management

- Provide operators with an AR-based guidance system that allows them to locate and store items faster and to decrease collection and storing errors.
- Example:
 - An AR application might show the content of the different shelves when looking for specific parts



FIGURE 4. Content of one of the shelves of a warehouse.

(Blanco-Novoa, 2018)



Figure 6. One of the tests in the pipe workshop with the HoloLens augmented collaboration application.

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