

# Performance Evaluation of Milkrun-Supplied Flow Lines

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Operations

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## A milkrun-supplied flow line

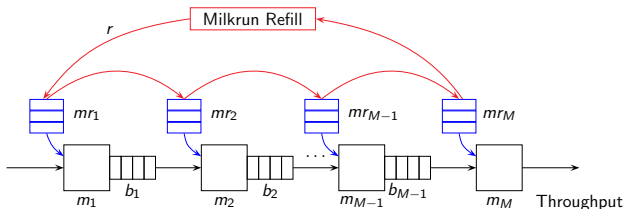


Figure 1: Milkrun-supplied flow line with  $i = 1, \dots, M$  machines

- Workpieces are matched with milkrun material for processing at  $m_i$
- Machine-specific **order up-to level**  $S_i$  of milkrun material  $mr_i$
- Uncapacitated milkrun supply happens **every  $r$  time periods**
- Starving and blocking of  $m_i$  refers to workpieces and milkrun material
- Milkrun shortages interrupt workpiece flow and milkrun material demand

# Research questions

## Evaluation

- 1 What is the fill rate of milkrun material supply for a given flow line configuration?
- 2 What is the impact of milkrun supply shortage on the throughput of the production system?

## Optimization

- 1 What are the minimal milkrun storage areas subject to target milkrun supply fill rate?
- 2 What is the cost-minimal allocation of milkrun storage areas and buffers subject to target throughput?

# Related literature and research gap

## Related literature

- Transport consolidation: Özden (2011), Schwarz et al. (2015), . . .
- Supplied flow lines: Bukchin and Meller (2005), Weiss et al. (2017), . . .
- Handling: Kovacs (2011), Faccio et al. (2013), Alnahhal and Noche (2014), . . .
- Vehicle Routing: Kilic et al. (2012), Satoglu and Sahin (2013), Meyer (2015), . . .
- Flow line evaluation: Lagershausen (2013), Li and Meerkov (2009), . . .

## Proposal of 2 new evaluation approaches

- 1 Flow line output as basis for calculation of milkrun supply fill rate
- 2 Production rate as function of milkrun supply and flow line configuration

# 1. Approach: fill rate of milkrun supply

## 1. Markov chain approach: times between processing starts $TBPS_i$

- Closed flow line with general processing times and finite buffers
- Calculate  $TBPS_i$  with Markov chain approach by Lagershausen (2013)
- Problem size is limited due to Markov chain approach of  $TBPS_i$
- Hypothesis that  $TBPS_i \sim$  gamma-distributed cannot be rejected for test data set using Kolmogoroff-Smirnov test and Chi-Square test

## 2. Counting process: demand for milkrun material during replenishment time

- Probability distribution of number of processing starts during the replenishment time  $r$ :  $P\{N(r) = n\} = P\{Y_n \leq r\} - P\{Y_{n+1} \leq r\}$
- Whereby  $Y_n = \sum_{j=0}^n TBPS_{ij} \forall i$  denotes the cumulative time until the occurrence of the  $n^{th}$  processing start
- Basis for  $\alpha$ -fill rate calculation (= prob. for no milkrun material shortages)

## 2a. Approach: production rate of two-machine line

### Modeling approach and conventions according to Li and Meerkov (2009)

- Discrete time slots (= cycle time of machines)
- Machine  $m_i$  is up during time slot with probability  $p_i \rightarrow$  time-dependent failures
- Buffer capacity  $b_1 = 1, \dots, N$  and milkrun storage area  $mr_i = 1, \dots, S_i, i \in \{1, 2\}$
- Blocking before service
- First machine never starved, last machine never blocked
- Machine states are determined at the beginning and buffer states at the end of each time slot

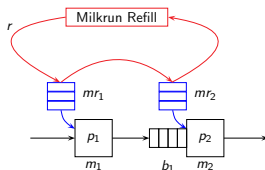


Figure 2: Milkrun-supplied two-machine line

## 2a. Approach: production rate of two-machine line

### Generate transition probability matrix

- States of the system are modeled through:
  - State of the buffer between the machines  $b_{1;0,\dots,N}$
  - States of milkrun storage areas  $mr_{1;0,\dots,S_1}$  and  $mr_{2;0,\dots,S_2}$
  - Time-dependence in relation to replenishment period  $r$
- State space consists of  $(N + 1) * (S_1 + 1) * (S_2 + 1) * r$  states
- Transition probabilities expressed through  $p_1$  and  $p_2$
- Extension to milkrun-supplied three-machine line follows the same approach with  $(N_1 + 1) * (N_2 + 1) * (S_1 + 1) * (S_2 + 1) * (S_3 + 1) * r$  states

### Reduction of the number of states

- In replenishment period: milkrun material equals order up-to level  $S$
  - Minimum milkrun material: order up-to level - time counter  $(S - t)$
  - Maximum milkrun material: order up-to level - time counter \* machine availability \* safety factor  $(S - t * p * sf)$
- State reduction can amount to 50% of state number in dependence of milkrun storage area size



## 2a. Approach: production rate of two-machine line

### Computation

- Transition matrix generation: VB.Net → most computational effort!
  - Numerical solution: MATLAB → eigs-function to calculate the eigenvector for the largest eigenvalue of a sparse stochastic matrix
- Derive steady-state probabilities:  $b_{1;0}$ ,  $b_{1;N}$ ,  $mr_{1;0}$ ,  $mr_{2;0}$

### Performance measures of two-machine line

$$\begin{aligned}
 PR &= P[m_2 \text{ is up at the beginning of a time slot} \\
 &\quad \cap \text{buffer is not empty at the end of previous time slot} \\
 &\quad \cap \text{2}^{nd} \text{ milkrun buffer is not empty at the end of previous time slot}] \\
 &= p_2 * (1 - Pb_{1;0} - Pmr_{2;0} + Pb_{1;0} * Pmr_{2;0}) = p_2 * (1 - P^S) \\
 &= P[m_1 \text{ is up at the beginning of a time slot} \\
 &\quad \cap \text{buffer is not full at the beginning of this time slot} \\
 &\quad \cap \text{1}^{st} \text{ milkrun buffer is not empty at the end of the previous time slot}] \\
 &= p_1 * [1 - (1 - p_2) * Pb_{1;N} - p_2 * Pb_{1;N} * Pmr_{2;0}] * (1 - Pmr_{1;0}) = p_1 * (1 - P^B)
 \end{aligned}$$

## 2b. Approach: production rate of $M > 2$ -machine line

Modeling approach according to Li and Meerkov (2009)

Backward: aggregate each two last machines of the line into a single Bernoulli machine

- Use (2a) to calculate probability for full buffers and empty milkrun material  $P^B$
- Calculate virtual production rate  $p_i^{backward} = p_i * [1 - P^B(p_{i+1}^{backward}, p_i^{forward}, b_i)]$
- Exception for boundary condition  $p_M = p_M^{backward}$

Forward: aggregate each first machine with aggregated version of the rest of the line into single Bernoulli machine

- Use (2a) to calculate probability for empty buffers or empty milkrun material  $P^S$
- Calculate virtual production rate  $p_i^{forward} = p_i * [1 - P^S(p_{i-1}^{forward}, p_i^{backward}, b_{i-1})]$
- Exception for boundary condition  $p_1 = p_1^{forward}$

→ Repeat forward and backward aggregation until production rate converges

## 2b. Approach: production rate of $M > 2$ -machine line

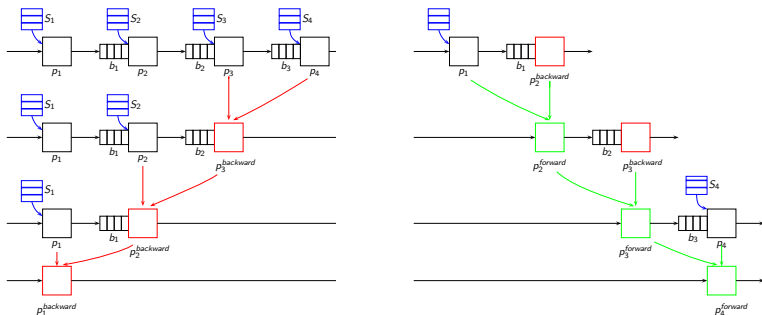


Figure 3: 1<sup>st</sup> iteration: backward and forward aggregation of 4-machine line

- Recursive calculation of virtual production rates: boundary machines (in this example 1 and 4) are not starved respectively blocked by workpieces, but disrupted by milkrun.
- Approach can also be applied to special case:  $M \geq 2$  machines where only the 1<sup>st</sup> machine is supplied by  $(r, S)$ -policy, application as in Weiss et al. (2017).

## 2b. Approach: production rate of $M > 2$ -machine line

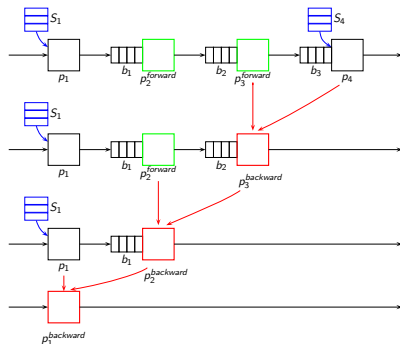


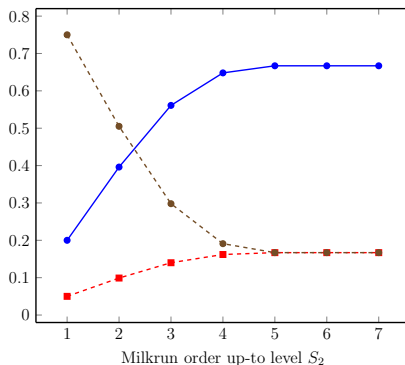
Figure 4: 2<sup>nd</sup> iteration: backward aggregation of 4-machine line

To investigate: milkrun extension does not seem to cause problems with the algorithm's convergence proved by Li and Meerkov (2009)

## Performance measures of milkrun-supplied 2-machine line vs. $S_2$

Throughput grows with the order up-to level  $S$  as long as there is milkrun supply shortage.

● — Throughput      ■ - P[Empty Buffer]  
● - P[Empty Buffer and Empty Milkrun Material]

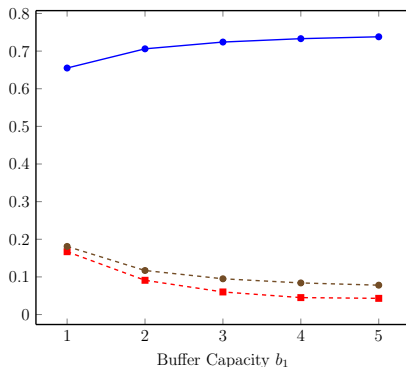


**Figure 5:** Performance measures of 2<sup>nd</sup> machine versus milkrun order up-to level  $S_2$ , input parameters:  $S_1 = 5$ ,  $p_1 = p_2 = 0.8$ ,  $b_1 = 1$ ,  $r = 5$

## Performance measures of milkrun-supplied 2-machine line vs. $b_1$

Throughput growth due to increasing buffer size is **limited by milkrun** parameters.

● Throughput -■- P[Empty Buffer]  
-●- P[Empty Buffer and Empty Milkrun Material]



**Figure 6:** Performance measures of 2<sup>nd</sup> machine versus buffer capacity  $b_1$ , input parameters:  $S_1 = S_2 = 5$ ,  $p_1 = p_2 = 0.8$ ,  $r = 6$

## Computation time for milkrun-supplied 2-machine line

Approach rather fits **small-scale supply consolidation** of flow lines.

Computation time due to **transition matrix generation**-solved within seconds!

$b_1, r, S = S_1 = S_2$	Computation time in mm:ss	No of States (after reduction)
$b_i = 1, r = 3, S = 2$	00:00	34
$b_i = 1, r = 4, S = 3$	00:01	96
$b_i = 1, r = 6, S = 5$	00:57	272
$b_i = 1, r = 7, S = 6$	00:54	270
$b_i = 1, r = 8, S = 7$	03:32	368
$b_i = 2, r = 3, S = 2$	00:00	51
$b_i = 2, r = 4, S = 3$	00:04	144
$b_i = 2, r = 5, S = 4$	00:07	162
$b_i = 2, r = 6, S = 5$	05:14	408
$b_i = 3, r = 3, S = 2$	00:00	68
$b_i = 3, r = 4, S = 3$	00:14	192
$b_i = 3, r = 5, S = 4$	03:50	378

**Table 1:** Computation time for 2-machine line with  $p_1 = p_2 = 0.8$

# Performance measures of milkrun-supplied 2-machine line

## Insights

- Throughput rises with the order up-to level  $S$  (and decreasing replenishment interval  $r$ ) as long as there is milkrun material shortage
- Throughput rises with increasing buffer size  $b$  but milkrun material parameters may limit the growth
- Opposite trend of state probabilities for empty buffer and empty milkrun material
- Throughput is limited to  $PR^{max} = \frac{S_i^{min}}{r}$  where  $S_i^{min}$  is the minimum order up-to level within the flow line
- Milkrun parameter ratio  $\frac{S_i}{r}$  leads to different probabilities of empty milkrun material (e.g.  $\frac{S_i}{r} = \frac{2}{3}$  vs.  $\frac{S_i}{r} = \frac{4}{6}$ )
- Evaluation approach is limited to small-scale supply consolidation



## Quality of throughput approximation for $M > 2$ milkrun-supplied lines

Approximation quality is better for higher replenishment intervals  $r$  and larger buffers  $b_i$ .

Number of Machines $i, p_i, b_i, S_i, r \forall i$	$PR_{Approx}$	$PR_{Sim}$	$\frac{PR_{Sim} - PR_{Approx}}{PR_{Sim}}$
$i = 3, p_i = 0.8, b_i = 3, S_i = 4, r = 10$	0.40	0.40	0.00%
$i = 3, p_i = 0.8, b_i = 3, S_i = 3, r = 4$	0.67	0.66	-1.52%
$i = 3, p_i = 0.8, b_i = 3, S_i = 2, r = 3$	0.61	0.61	0.00%
$i = 3, p_i = 0.8, b_i = 3, S_i = 1, r = 2$	0.47	0.47	0.00%
$i = 3, p_i = 0.5, b_i = 1, S_i = 1, r = 2$	0.25	0.25	0.00%
$i = 3, p_i = 0.8, b_i = 1, S_i = 1, r = 2$	0.42	0.44	4.55%
$i = 3, p_i = 0.9, b_i = 1, S_i = 1, r = 2$	0.46	0.48	4.17%
$i = 4, p_i = 0.8, b_i = 1, S_i = 1, r = 2$	0.41	0.42	2.38%
$i = 5, p_i = 0.8, b_i = 1, S_i = 1, r = 2$	0.41	0.41	0.00%
$i = 7, p_i = 0.8, b_i = 1, S_i = 1, r = 2$	0.40	0.40	0.00%
$i = 15, p_i = 0.8, b_i = 1, S_i = 1, r = 2$	0.39	0.38	-2.63%
$i = 3, p_i \in \{0.8, 0.6, 0.9\}, b_i = 1, S_i = 1, r = 2$	0.39	0.39	0.00%
$i = 4, p_i \in \{0.8, 0.6, 0.9, 0.7\}, b_i = 1, S_i = 1, r = 2$	0.37	0.38	2.63%
$i = 5, p_i \in \{0.7, 0.8, 0.9, 0.8, 0.7\}, b_i = 1, S_i = 1, r = 2$	0.40	0.40	0.00%
$i = 7, p_i \in \{0.6, 0.65, 0.7, 0.75, 0.8, 0.9, 0.95\}, b_i = 1, S_i = 1, r = 2$	0.34	0.33	-3.03%

Table 2: Quality of aggregation procedure for  $M > 2$  milkrun-supplied lines

## Summary

- Milkrun material shortages change workpiece flow and the demand for milkrun material →  $\alpha$ -fill rate as performance measure
  - Production rate is determined by:
    - either flow line configuration → no milkrun shortages
    - or milkrun parameters → maximum production rate is limited to  $\frac{S_i^{\min}}{r}$
- Milkrun supply can only restrict the production rate of a flow line

## Future research

- Fast evaluation approach for  $M > 2$  milkrun-supplied line → approximation or simulation of milkrun-supplied 2-machine line?
- Solve optimization problems
  - Minimize milkrun storage areas subject to target milkrun supply fill rate
  - In case of milkrun material shortages: find cost-optimal milkrun material and buffer capacity subject to target throughput

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