

BUSI 526 – Operations Research

Individual Assignment – Fujitsu Auto Plant Relocation



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**Prepared by
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GROUND FLOOR, COMMERCE BUILDING

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DUNEDIN 9016, NEW ZEALAND

FUJITSU AUTO

MR. JOHN POWELL - CEO

123 JAPAN ROAD

AUCKLAND

NEW ZEALAND

Tuesday 4th July 2007

Dear Mr. Powell,

Welcome to Fujitsu Auto! I am sure you will have a successful time in the company and I am looking forward to our corporate work together.

As you wished I have prepared a project plan for the proposed relocation of the Auckland plant to a larger building to ensure future production increases. I have been in contact with potential subcontractors to get a realistic picture for the budget and timelines of this complex task and I am convinced that we can do the project within six months and finish it before Christmas this year.

Please do not hesitate to contact me should you have any further questions, otherwise I will present the project next week in detail to you and the senior management.

Yours sincerely

Jorit Nühs

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1. Executive Summary

The relocation project for the Fujitsu Auto plant in Auckland has been planned in detail and this report explains every aspect of the project. Mr. Powell also has received a copy of the Microsoft Project file to produce further reports if necessary.

The project starts at 2nd July 2007 and will be completed by 16th December 2007 with the following housewarming party at the 18th December 2007. The total estimated budget is NZ\$1,464,568 including all wages and all costs for subcontractors. Not included are the costs for potential new machines and the cost for the new building as we haven't found it yet and the decision has to be made if the new building has to be bought or leased.

The main goal of the project is to minimize the downtime of the machines and all efforts are focused on this aspect.

2. Introduction

The purpose of this report is to inform the CEO of Fujitsu Auto, Mr Powell, about the planning for the plant relocation. Mr Powell just started his job at Fujitsu Auto and his plan is to increase the production by 40% because of high demand for the automobiles and it is therefore necessary to relocate the plant to a bigger location.

Mr Powell appointed Mr. Nühs to develop a project plan with the tool Microsoft Project including resources, cost, timelines etc. Together with a team of Fujitsu employees but also with a selection of outside contractors this reports mirrors these estimated figures inclusive budget so that Mr. Powell now can decide if the relocation can be started or not.

It is furthermore necessary that the whole project is completed within six months starting at the 2nd of July 2007. At the end the important clients are going to be invited to the housewarming party in the new location.