

Q1-G: First In, First Out (FIFO)

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BIPH Assembly HASHIRA

Rev.00

- ① Purpose of “**First In, First Out**”
- ② Definition of First In, First Out
- ③ Understanding "First-in, First-out"
- ④ "First-in, First-out" rule
- ⑤ Compliance with "First-in, First-out"

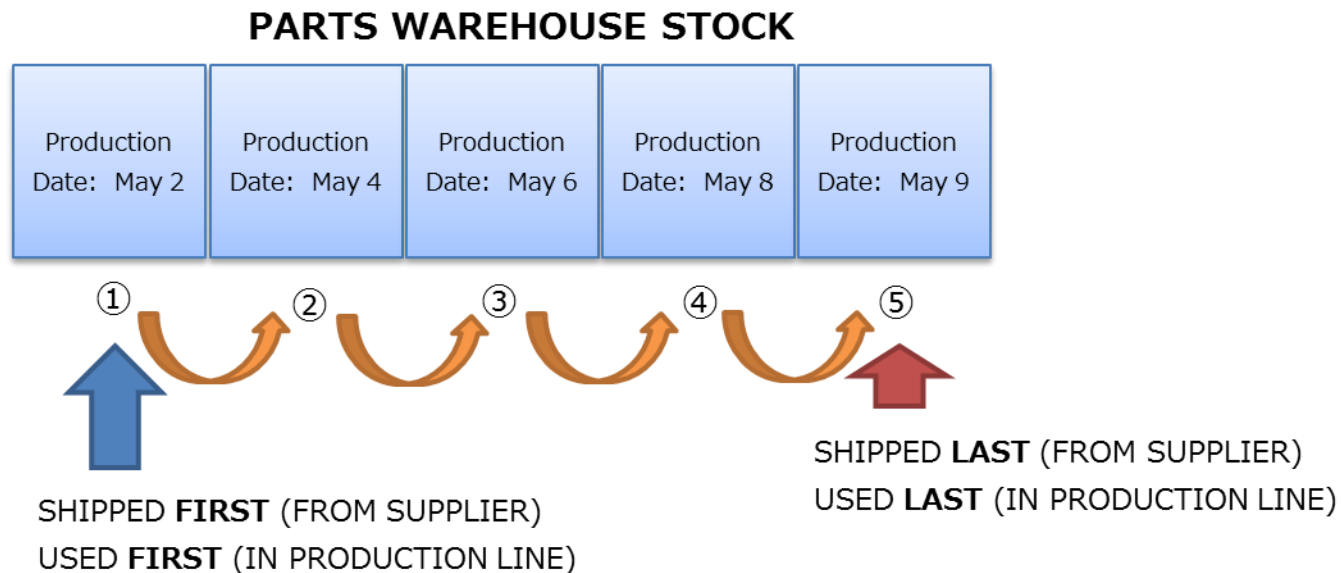
Purpose

To ensure that “**all contents to instruct operations are stated**” and “**standard is clarified**”.

To understand the importance of “**First In First Out (FIFO)**”, its rule & compliance.

② Definition of First In, First Out?

- **FIFO stands for “First-In, First-Out”.**
- It is an inventory mgt. system in which **the first or oldest stock is used first and the stock that has most recently been received is only used until all stocks in the warehouse before it has been used.**
- This ensures that the **oldest stock is used first** and reduces the costs of obsolete inventory.
- It is also considered the ideal stock rotation system.



③ Understanding “First-In, First Out”

The reason to understand why “First In, First Out”
is required.

TRACEABILITY



RULES

1

Must be able to **trace back** when problem occurs

To prevent **quality deterioration of stock** caused by long retention time

EXAMPLES:

RUST ON SPRING



PEELED OFF CARTON LABEL



To prevent problem caused by using latter one while the former is still remaining in case of change (design change etc.), also to **prevent disposal cost**

④ “First-in, First-out” Rule

RULES

2

Must have written “FIFO” rule for the following which is **controlled by assembly**:

❖ **Stock In-process Parts**

Direct Parts

❖ **Indirect Materials**

Grease, Ethanol, Carton tape, etc.

If **Part/Material have expiration date**, the following must be included in the RULE:

- ✓ **Checking of the expiration date**
- ✓ **Frequency of checking**
- ✓ **Storage conditions, and**
- ✓ **Observation of "FIFO" is stated**

④ “First-in, First-out” Rule

RULES

2

For parts and indirect materials which has important control from quality point of view:

❖ **"FIFO" must be based on production date not by delivery date.**

NOTE: It is preferred to review within the factory regarding parts and indirect materials which had quality problems in the past.

For goods packed and delivered in package does not require control of manufactured sequence of each piece

⑤ Compliance to "First-in, First-out"

RULES

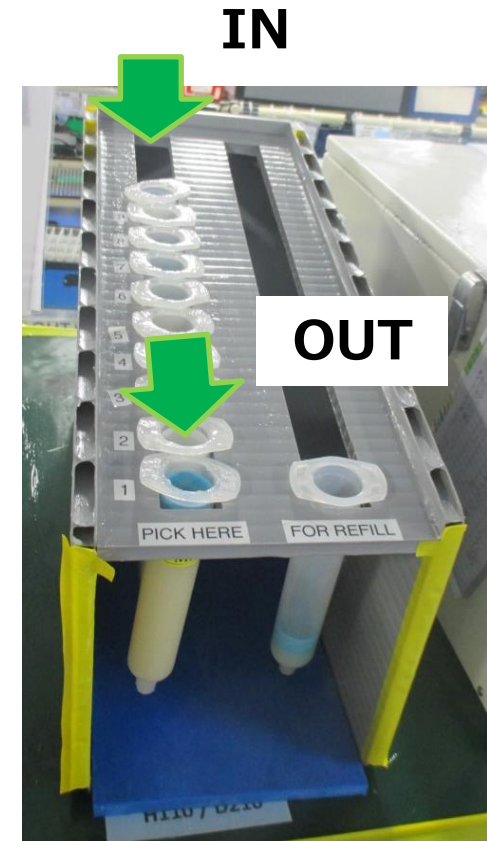
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"First-in, First-out" is carried out according to the rule.

- ❖ Preferably, "First-in, First-out" can be followed by whoever will carry it out.

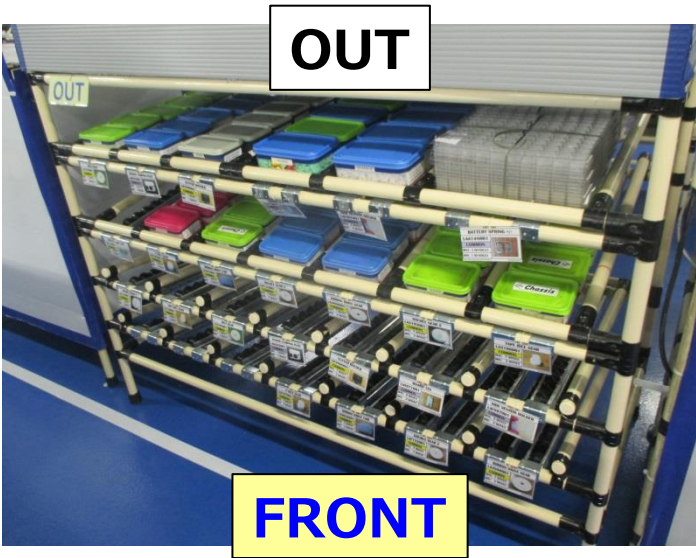
EXAMPLES in Production Line:

Left to Right



EXAMPLES IN PRODUCTION:

Taking in and out can be controlled by Roller conveyor



Thank you!

Revision History

Rev. No.	Rev. Date	Effectivity Date	PIC	Revised Content	Established Date
00	April 21, 2023	April 21, 2023	Hermie Mei Matundan	Established Revision History in Hashira PPT	April 21, 2023