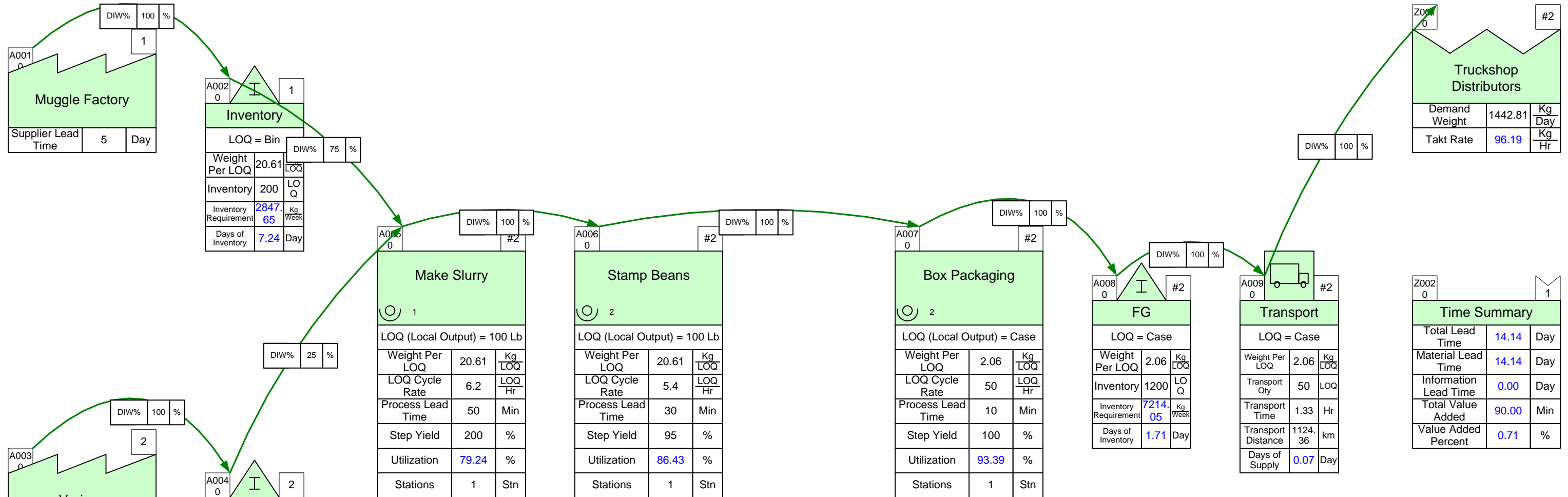


# Processing Problem: Scrap and Giveaway

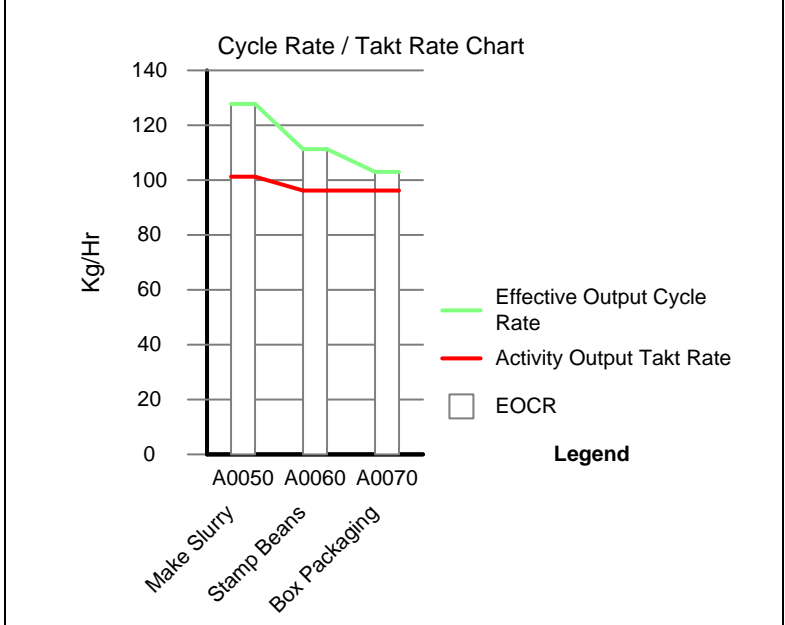
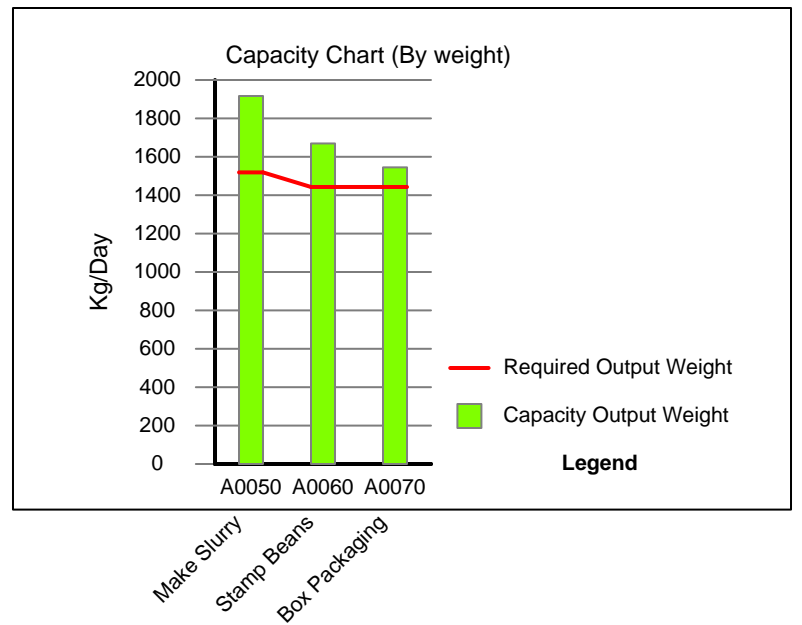
Stamp Beans has a Scrap Rate of 10% and Box Packaging has a Giveaway Rate of 3%. Is the process still capable of meeting demand? How much additional Slurry will be needed per day?

Units	Week	day
	5	15
	day	Hr



Time Summary		
Total Lead Time	14.14	Day
Material Lead Time	14.14	Day
Information Lead Time	0.00	Day
Total Value Added	90.00	Min
Value Added Percent	0.71	%

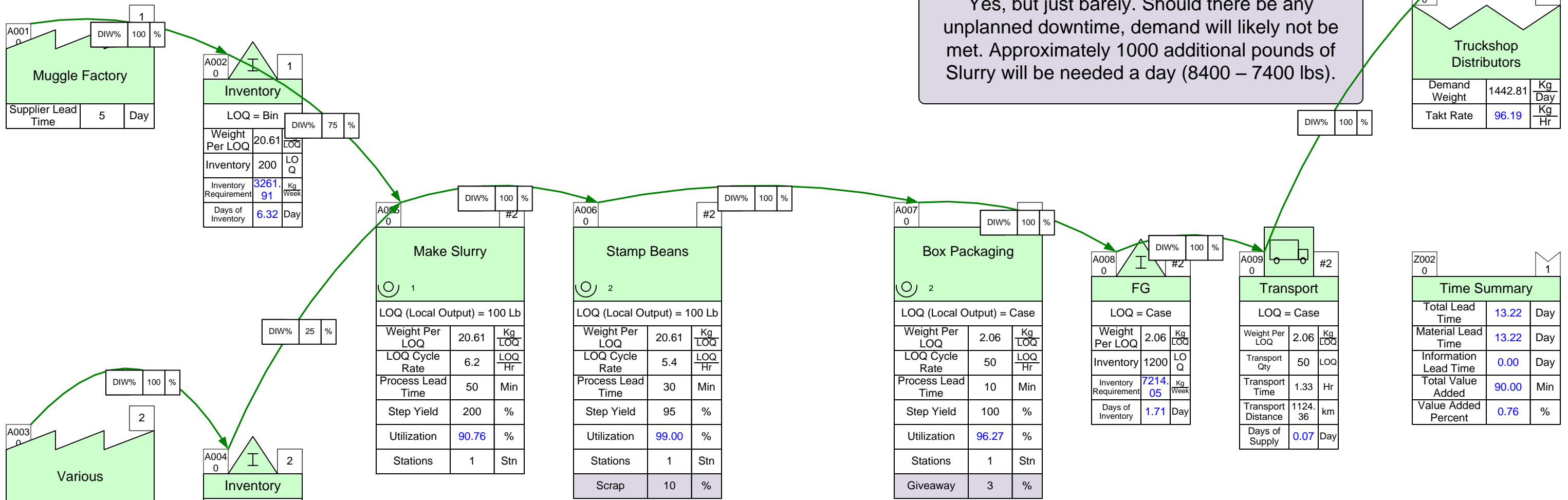
Amount of Slurry needed is about 7400 pounds a day (Required Output Weight for Make Slurry)



# Processing Solution: Scrap and Giveaway

Stamp Beans has a Scrap Rate of 10% and Box Packaging has a Giveaway Rate of 3%. Is the process still capable of meeting demand? How much additional Slurry will be needed per day?

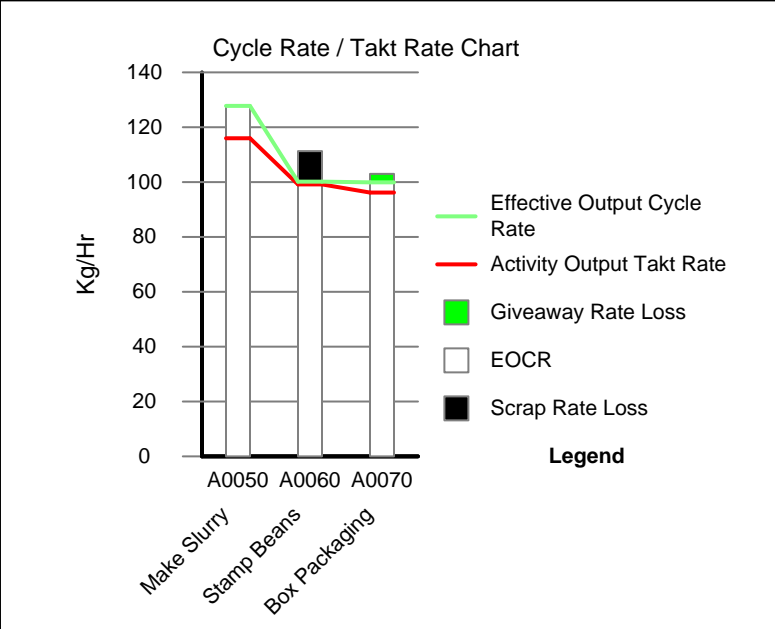
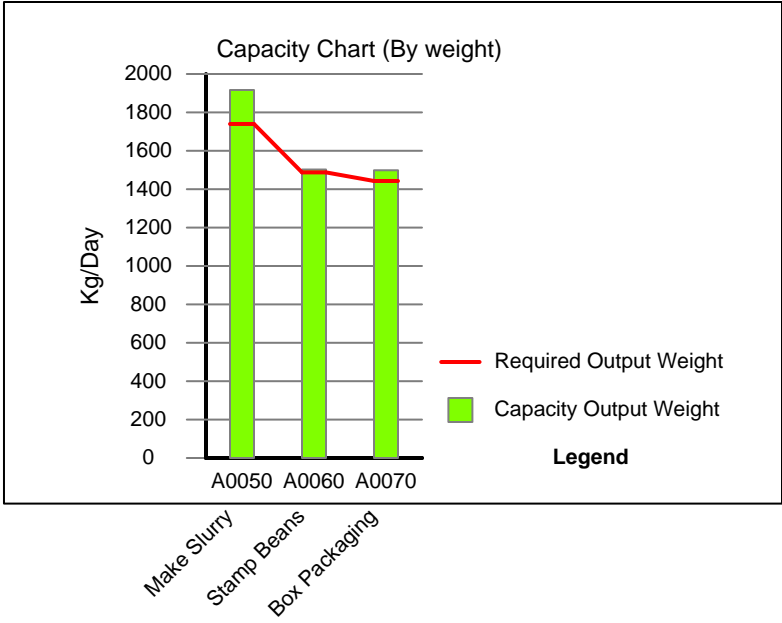
Units	Week	day
	5	15
	day	Hr



## Answer

Yes, but just barely. Should there be any unplanned downtime, demand will likely not be met. Approximately 1000 additional pounds of Slurry will be needed a day (8400 – 7400 lbs).

Amount of Slurry needed is now about 8400 pounds a day (Required Output Weight for Make Slurry)



The Takt Rate of an activity is increased due to any downstream losses since it will have to produce an additional amount to replenish the losses. The losses themselves will reduce an activity's Effective Cycle Rate.