

ADVANTAGES OF FLOW PRODUCTION

@megaventory

SHORT-LEAD TIME

Flow production reduces the lead time, as items move along a continuous flow of automated machines



ECONOMIES OF SCALE

Companies with flow production tend to enjoy economies of scale since a large number of goods are produced

LOW INVENTORY

With a shorter lead time, businesses can hold less inventory which reduces inventory costs



STRUCTURED MATERIAL FLOW

It entails the movement of goods from one stage to the next along an assembly line