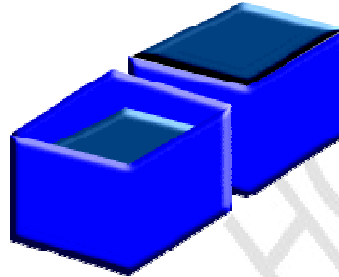# HC online

Simple kanban systems :
double bin Kanban and "red label"

Texte disponible en Français

Double bin kanban

In the double bin kanban system, the consumer (downstream process) takes his supplies from the first bin until it gets empty (= order point reached). The empty bin is returned to supplier while consume goes on by supplying from second bin.

The supplier understand the return of empty bin as a signal asking for supply. He knows that meanwhile his client is emptying the second bin (= order point crossed).
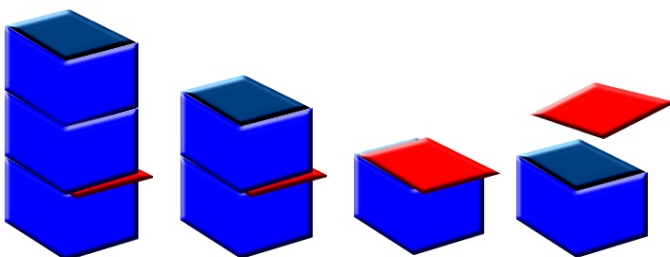

Double bin kanban method is most often used for low value, bulk parts: screws, nuts, bolts, small accessories…

The bin content quantity is generally the supplier's original delivery quantity (box of 100 screws, 1000 rivets…).

If consumption is very fast, the quantity is adjusted placing for example 10 boxes of 100 screws in the bin and supply two bins.

Red label Method

The red label method consists in the placement of a red (to be more visible and figure emergency signal) label in a position figuring the order point.

In the example below, the red label is placed at one third:

The consumer supplies himself from the boxes. Once the red label is uncovered, it is returned to the supplier (order point reached). While waiting for supply, the consumer uses the remaining inventory.

Usually used in warehouses, this method can also be used to order in a very simple way.

Every label holds the basic information necessary for ordering:

• Part number (one per label)
• Quantity to deliver
• Position where to put this label in the new supply (one box from bottom in our example)
• …

Periodically all uncovered labels are collected and sent to supplier directly or to the person in charge of ordering.

The supplier receives a bunch of labels and sets up the supply batch for his customer.

Receiving the supplies, warehouse staff refill their inventories and place the label again in appropriate position.