LFS_magazine from the E+P Group Cazin







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Dear Future, we are ready!

More connectivity. Smarter.

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25 years at E+P.

Visionary and pioneer Jörg Fröhlich.

engineer, and soon after he joined the tical company. Back then the company ing responsible for LFS implementations. 25 years at E+P? Today six teams work on the implemenproactively contributed with his ideas and at Ehrhardt + Partner Group since 1997.

rience of the company development over the last quarter of a century. In your view what is the reason behind the success of if required. Today we have a separate de-Ehrhardt + Partner Group?

The warehouse management system is project coordination and the six project ture. ■ ■ undoubtedly the basis of our success and teams. One highlight was certainly the from the very outset we laid the foundations for the further company development. 25 years ago the software was only first time in another language version. envisaged as a means of controlling intralogistics. We set the direction of travel for Our endeavors to enter the international our software development correctly from the very beginning; for example, the technical integration of automation solutions vantage. Furthermore, our product is so has always been part of the LFS standard. flexible that it can meet the requirements The functional scope of LFS grew quickly enabling the system to meet the requirements of very diverse sectors. Today LFS international provider of a supply chain is a Supply Chain Execution System, in execution system.

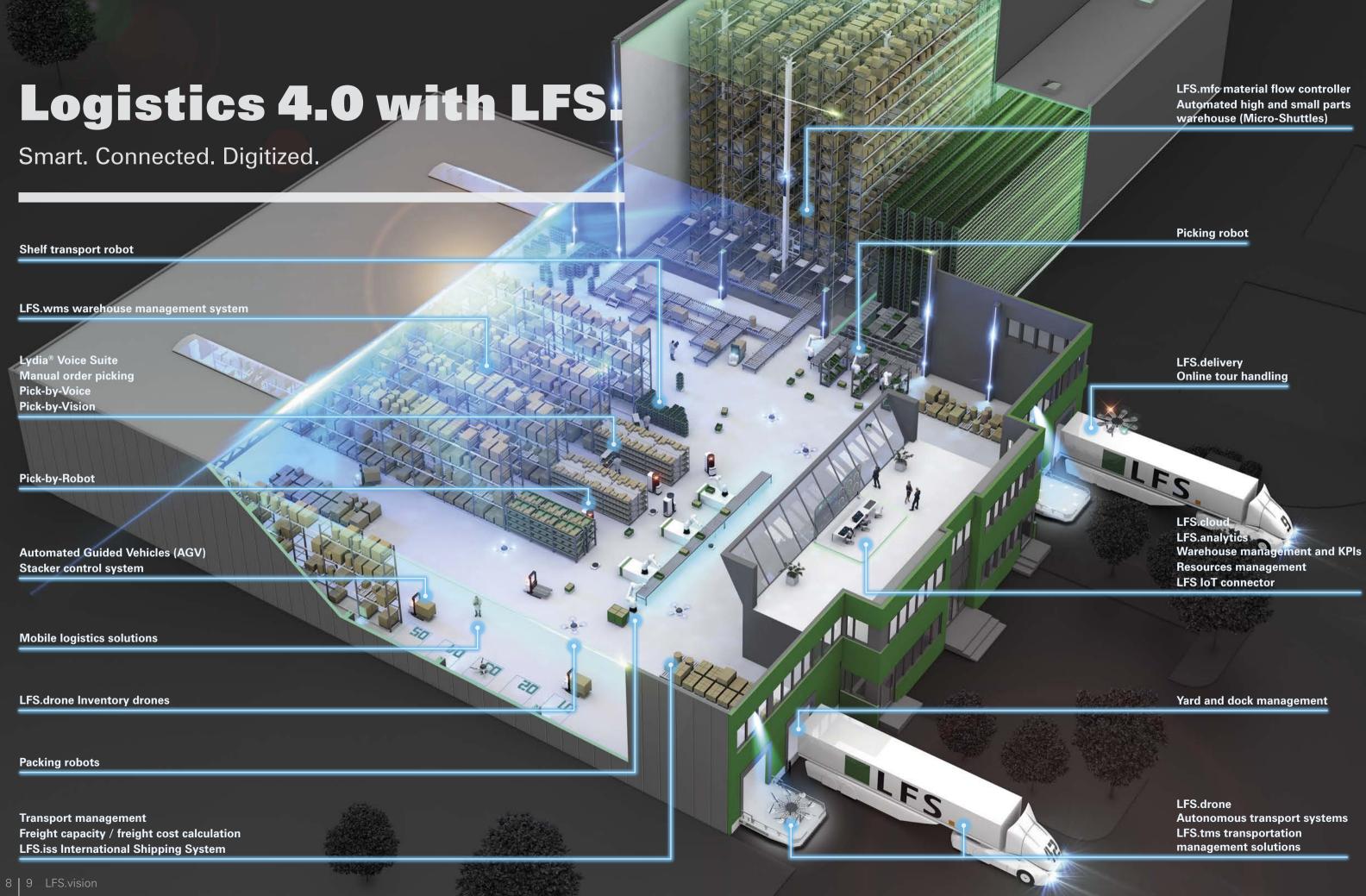
Pallets in, pallets out. This was the func- other words, a comprehensive solution for tional extent of the warehouse manage- all the logistics in a company. And it is also ment system 25 years ago. As a software easy to take advantage of the technical integration of robotics and state-of-the-art company, Jörg Fröhlich installed LFS automation solutions such as drones. This completely on his own at a pharmaceu- makes our solution totally future-proof.

The dynamics of the logistics market tation of customer projects, each with ten have noticeably accelerated over the last to 20 employees. This is a rapid company 25 years, with one thing leading to anothdevelopment to which Jörg Fröhlich has er. The number of inquiries grew steadily with the increasing functional scope of feel for new trends. He has been a partner LFS. More colleagues had to join us so we could manage the workload. Of course all this required an overhaul of our inter-Mr Fröhlich, you have first-hand expe- nal structures. When I started working here every employee knew about every project and could take care of any issues partment which is solely responsible for first international steps of E+P, a project in France in which LFS was used for the LFS is now available in over 14 languages. logistics market at an early stage have certainly given us a crucial competitive adof different countries and different sectors, which is why today we are a leading

Looking to the future, what will the logistics sector look like in 30 years?

The connectivity and digitization of processes will continue to increase which will pose ever greater challenges to IT. In future, there will be a greater requirement for systems to provide open, flexible inconsisted of ten employees with five be- What have been the highlights of your terfaces that enable easy and fast communications with a range of end-devices and systems and for the software to organize all logistics flows into one comprehensive process. This is because customers, more than ever, are requesting speed, flexibility and transparency throughout the entire value chain. Software applications that want to keep pace with the dynamics of the logistics market on an ongoing basis must be modular in their design and standardized in their process handling. Companies must prepare for these developments today and with our LFS we have long been prepared for the connected fu-





LFS.next

Next Generation LFS.

30 years of EPG. These are 30 years of successful software development. LFS.next is continuing along this path and advancing this strategy in the direction of Industry 4.0 and the Internet of Things.

LFS.next. This is a comprehensive IT ar- create a future-proof basis for LFS. What chitecture project with the objective of focusing even more on logistics processes. cifically? "LFS.next will enable us to respond more intensely and faster to the individual challenges of our customers," explains Holger Marzinzik, Director Key Account at EPG, to develop customized and comprehensive who is supporting the strategic part of this process. "Our warehouse management system has now such comprehensive functionally that it covers the needs view. "With LFS.next we want to signifiof all sectors and areas. We have been in a cantly increase the flexibility of LFS once good position for 30 years and we are sure that our solutions will also be successful in the future," adds Jens Heinrich, Chief more flexible user interfaces which will Technology Officer at EPG. "However, make third-party product integration and we still need to take action because our connectivity easier for our customers. We customers' requirements are undergoing have also changed the structures of the huge changes with more services, more modules. This in turn will improve proagility and more autonomy being required cess mapping." LFS.next will also simpliin all processes in future." Sebastian Pohle fy customizing because users will receive adds, "we are countering the challenges additional visual support for all settings. of the fast-moving logistics sector with This not only ensures more intuitive map-LFS.next." As Manager Software Development he is primarily driving the project forward on a technological level. All three is to increase the service level we provide have the common aim of being able to to our customers, without any important meet individual customer requirements functions being lost. Quite the opposite in the best way possible in the connectivi- in fact since one important factor in the ty, digitization and automation age, and to project is to fully retain the abundance drop.

does LFS.next include in this context spe-

I. Simplify LFS

For 30 years the objective of EPG has been solutions for its customers which meet all their logistics requirements, whilst still keeping maximum system flexibility in again," says Holger Marzinzik. "Therefore the new architecture model will have even ping of all business processes, but also increases transparency. "Our prime aim

and quality of existing LFS functions," stresses Holger Marzinzik.

II. Business by Design

The area of UX (User Experience) design is also becoming increasingly important in logistics. The requirement for the intuitive, easy and service-oriented operation of all software systems and facilities is another objective of LFS.next. "Business by Design means further optimization, at both graphical and technical level, in order to generate a continuous positive feeling – a Joy of Use – when using LFS," says Sebastian Pohle. "This has key benefits – especially in the context of Industry 4.0 and the resulting increasing requirement for machines and people to collaborate. Emotional and usability aspects are increasingly the focus of operation and we are addressing this." It will be possible in future to access additional services such as weather data or images via the internet in the LFS user interface and the iBrowser. Business by Design also means that processes are visualized directly. This enables an easy and fast overview of all processes. For example, it will be easy to make any adjustments using drag and





What's new?

LFS.V8 – for future-proof logistics.

New features and modules, updated functionality and the modern design of the latest generation of LFS.

LFS.analytics: **Big becomes Smart**

Forecasting trends, optimizing space occupancies in the warehouse, and revealing hidden potential in the supply chain, LFS.analytics turns the high data volumes that arise in logistics into efficient and usable information and increases planning certainty. The solution combines all the relevant information and creates forecasts for future development opportunities for supply chain optimization on the basis of historical data, experiential values and external source material (such as weather data or sales forecasts). The results are analyzed and evaluated in real-time. Therefore companies know today what will be important for tomorrow.

Managing personnel efficiently

Is strategic human resources planning time-consuming and expensive? Not with the new LFS resource management module! The module dynamically visualizes all available resources in real time based on the current order volume, saved shift schedules, the qualifications of employees and the number of available employees. The function also automatically identifies the required process steps per order, such as picking, packing and shipping, and the applicable time to process each step. The final outcome is that all sub-steps are planned accurately and you get a completely transparent overview of the time for processing and the current status of each order.

LFS.iss: **Shipping through** the cloud

LFS.iss simplifies the handling of the entire shipping logistics process. From routing to printing shipping labels and consignment dispatch, the stand-alone solution ensures the efficient and economical outgoing goods process. The key benefit of the module is that many different CEP providers can be connected easily. Through the provision in the Cloud of EPX - Ehrhardt + Partner Xtended, users have access to a secure, high-performance system that performs updates automatically. This represents the shipping logistics of the future!

Random sample cycle count: **Savvy** counting

The regular recording of inventory is legally prescribed for sales people. Specific financial reporting standards must be complied with here. The random sample cycle count included in LFS.V8 ensures that users on are on the safe side. The module has been certified by an independent auditor and therefore meets all statutory reguirements. This function further reduces the tiresome measuring, weighing and counting processes whilst increasing cost-effectiveness and decreasing costs. The random sample cycle count can be carried out in parallel to daily business operations, making a complete closure of the warehouse or a production shutdown unnecessary.

Stacker control system: A safe ride with TCS

The TCS module included in LFS.V8 optimizes the truck fleet by taking factors such as travel distance, time reference and order priority into consideration. The system is flexible and transparent in its coordination of transport carriers, the efficient allocation of employees and the needsbased deployment and distribution of the truck fleet. This means that empty journeys and downtimes are reduced to a minimum. Deployment of the TCS module guarantees a considerable cost saving and increased productivity.





ects. I am still benefiting from this today as this was the basis for my further career in the company, initially as a project manager, then in the business development department, and subsequently as sales manager and authorized signatory. Important for me as Managing Director is to use this basis for the strategic further development of topsystem.

What are your objectives in your new position?

We are a worldwide technology leader in voice-controlled systems and we want to further expand this position. We are also working on our further international growth and the development of new markets. For me as Managing Director this means driving our product development forward strategically so that the global market believes that Lydia[®] is indispensable. The objective here of course is to generate the widest application benefits possible and to this end we engage in direct dialog with our customers and business partners. It is their feedback that forms the basis for the further development of our product portfolio. However, this input is also very valuable for new solutions and approaches. This is the only way that we will grow together and create the best possible results. Efficiency, process quality and ergonomics are the required more and more frequently from our solutions. For instance, we are currently working on a further development of Lydia® VoiceWear®. Our picking vest has already established a trend in the market that we of course want to continuously reinforce with further innovations. Also with Lydia® Smart Watch we were one of the first providers of visual assistance systems in the logistics sector. We are constantly seeking new innovative solutions and ideas that we can integrate into our Voice Suite - and of course, always with a view to the requirements of our customers.

Everyone is talking about automation, digitization and robotics. But honestly, why are voice-controlled solutions still need-

Because voice is the most intuitive medium there is. I am convinced that human beings will never fully disappear from warehouses and production, despite automation. If we use the example of the transportation of goods, machines can do some things better than people. On the other hand, human beings make intuitive decisions and are much more efficient at solving highly-complex problems. Ultimately it is also a cost-benefit question. Therefore, our task is to optimize the man/machine interaction so that both systems can collaborate in the best possible way. Both worlds will increasingly converge, be reliant on each other and mutually support each other. In process optimization, Voice plays a crucial role as an

Mr Just, topsystem has now been part of Ehrhardt + Partner Group for almost two years. What is your assessment so far? It is primarily the technological interconnections of our prod-

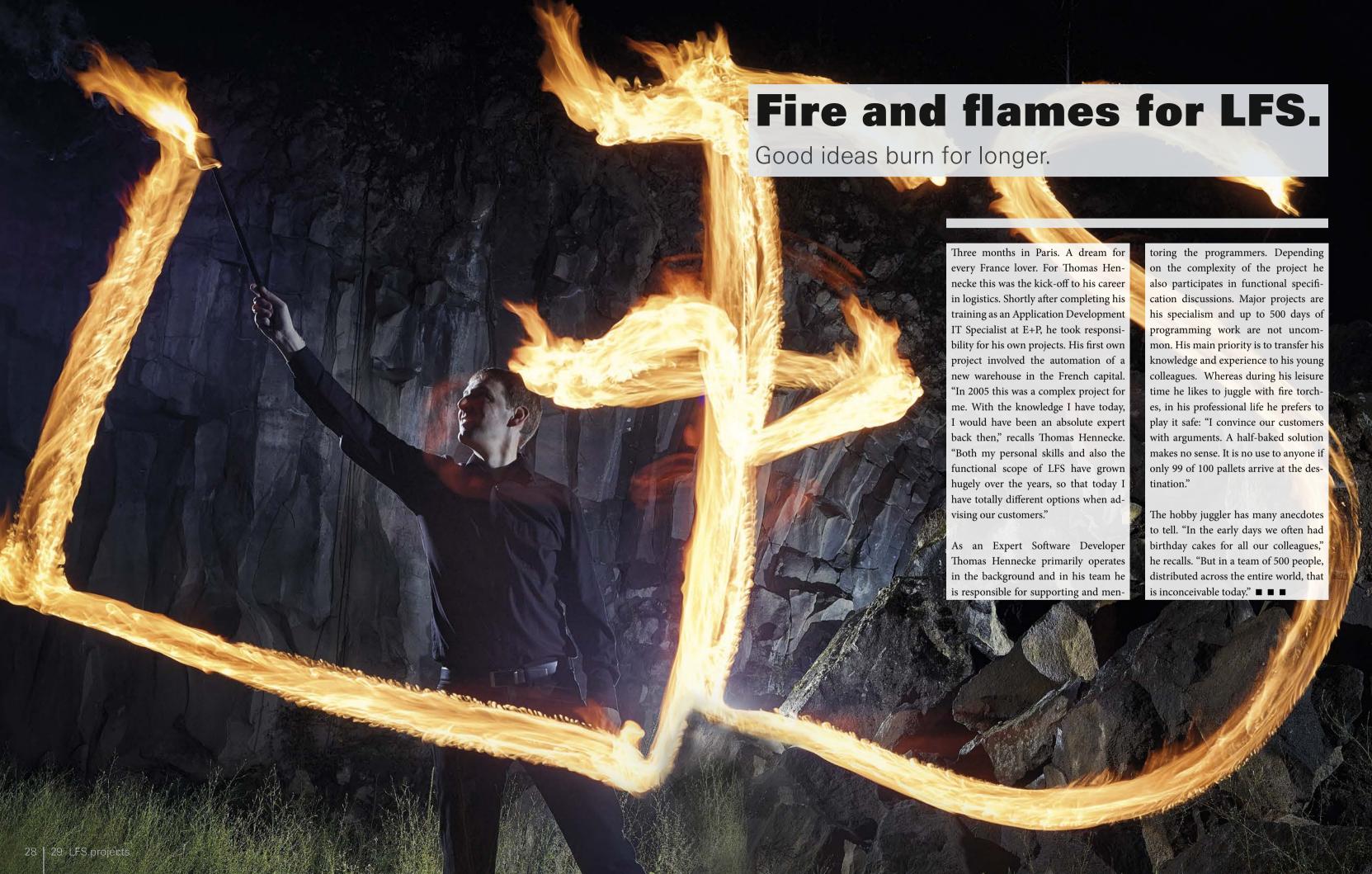
ucts that ensure synergies and offer huge innovation potential – specifically in the Voice sector. We use our partnership relationship wherever we consider it to be appropriate. For instance, the group is supporting us as we pursue our national and international growth paths. We are developing new markets together. Therefore, for our customers and business partners we are constantly ensuring a high-level of future viability through our new innovations. In short, our sector expertise combined with the warehouse skills of E+P is a successful symbiosis.











Always there when there's a b fire.

Martin Brunkalla and his team: No deployment is too hot.

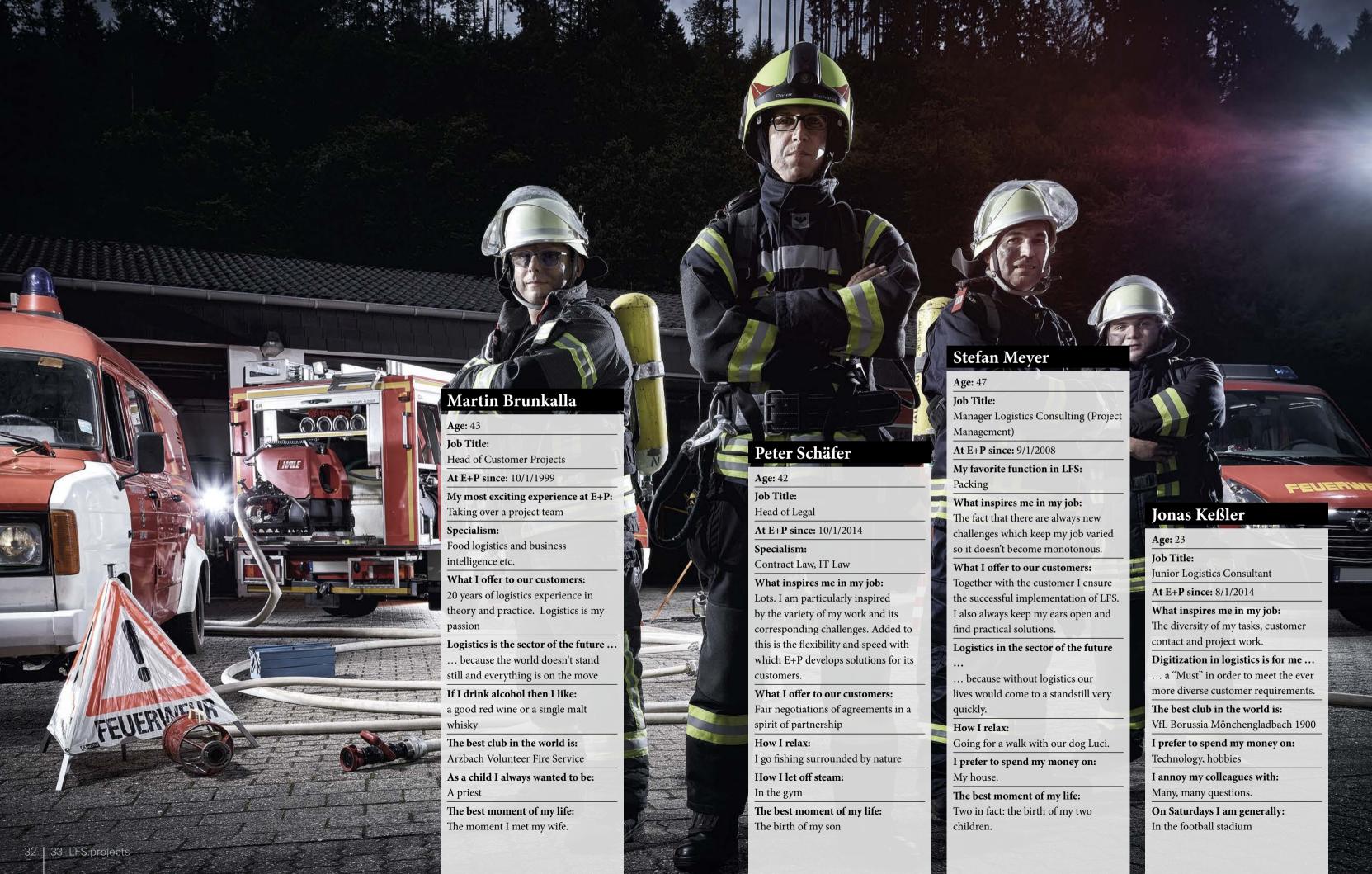
He is immediately at his post whenever there's a fire. He care- what he is talking about, as he was involved in the programfully analyzes the emergency, is focused in the decision he takes, instigates the relevant actions and then diligently conas a member of the volunteer fire service, but also as a manager of a team of software specialists, Martin Brunkalla has already been called out to a few rescue missions. No deployment is too hot for him, no challenge too complex: "I am not easily deterred. I break big tasks into smaller units. This enables me to retain the overview and I can prepare bit by bit."

This is a skill that benefits him every day, because at E+P no day is like any other – as a "normal" day has no place in the LFS world. Every customer needs a customized solution for their specific requirements. And this is exactly what Martin Brunkalla and his team of programmers have adopted as their motto. "We are only happy when the customer is happy," he stresses.

The 43-year old is totally convinced of the qualities of the LFS Software Suite and has been involved in its further development for many years: "Our solution is flexible, adaptable and can be deployed in many different sectors." Brunkalla knows

ming of the serial number and returnable product handling system. That is not the only reason LFS is particularly close trols whether the desired success has been achieved. Not only 💹 to his heart. "Even though of course the product does not belong to me, I still feel very closely connected to it," says Martin Brunkalla. In addition to the continuous further development of LFS, one other thing is very important to him, namely the support and guidance of his colleagues. Honesty, transparency and openness are the hallmarks of his management style. "I want my team members to enjoy coming to work because only motivated employees can also develop creative solutions."

> Martin Brunkalla's fire service colleagues are also his equals, each being specialists in their own areas, and always keeping cool heads in precarious situations. As Head of Legal Peter Schäfer supports Mr Brunkalla on legal issues. As Project Manager, Stefan Meyer has an overview of the many concurrent requirements of his customers. And Jonas Keßler, Junior Logistics Consultant, makes use of his know-how in many areas including customer consultancy. Whenever there is a fire, someone is always at their post.









Step by step to the goal.

Michael Forster optimizes his movements in water and in the warehouse.



Forster glides smoothly through the water with powerful arm and leg movements. He has perfected his swimming technique over many years - also with dry runs on land. Not only is he busy in his sporting endeavors with simulating movement sequences for optimization purposes, but also in his daily professional life. As a Senior Software Developer in the "Material Handling" team he is responsible for the visualization and emulation of the material flow within the warehouse.

His equipment for this task: LFS.mfv und LFS.mfe.

Mr Forster, which products are behind the names LFS.mfv and LFS.mfe?

Both are components of our material flow controller LFS.mfc. This controls, coordinates, monitors and analyzes the entire material flow of a plant. The LFS.mfv tool integrated in the iBrowser visualizes all real material flows and shelf systems in live operations, both two and three-dimensionally. This means that it is immediately obvious whether all plant parts are harmonized with each other or if there are malfunctions. The LFS.mfe emulation tool maps real materials handling in a model which behaves just like a real plant. This enables a warehouse to be tested before it is commissioned and any material flow optimizations to be identified.

What benefits are you offering your customers with these solutions?

The increasing degree of automation in logistics means that a material flow cal-

culator must be used, in order to ensure an efficient and smooth interaction of all plant parts. The benefit of LFS.mfc is that the various mechanisms of different manufacturers can be connected. The product can therefore be installed independently from warehouse management systems and ERP systems. The virtual commissioning of the warehouse using LFS.mfe minimizes the risks of production outages and system downtimes since a test run will reveal any optimization potential in advance. Another benefit over

competitive products is that LFS.mfc and the associated functionalities are both server-based and also available as a cloud solution.

Looking into a glass ball, what will the future look like for material flow control? I can very easily foresee a situation where more competencies are assigned to the customers themselves with them using our solutions to take control of the material flow or the three-dimensional system modeling. I am also convinced that

simulation - over and above automated warehouse areas - will play an increasingly important role. Therefore, any potential will be used so much more effectively. ■ ■ ■





... and full speed ahead for recruitment: Markus Gierse.

Outstanding specialists and managers are the cornerstone of the company's success cess Markus Gierse is mindful of very specific criteria: "Customer interactions are very important to us. Therefore a certain

There is no doubt that logistics is a growth market. However, finding the right specialists who have a command of the increasing requirements and growing complexity is often a challenge. Competition for the smartest people started long ago. Markus Gierse knows about the importance of strategic personnel planning. "As Head of the Human Resources Department I have a crucial influence on the further development of the company and I am in a position to pull some of the most important levers. Innovations only occur with a motivated and competent team." Together with his three colleagues he hires highly-qualified and motivated employees for all the EPG subsidiaries. "We are looking for people who will use their commitment and ideas to move the company group forward and make a significant contribution to the further development of the logistics world," says Markus Gierse.

The selection of qualified specialists is a great challenge which will only increase in future. Nevertheless, since he joined the company three and half years ago, about 6,000 applications and the hiring of 164 new employees and 69 apprentices have been dealt with by Markus Gierse and his team. In the selection pro-

cess Markus Gierse is mindful of very specific criteria: "Customer interactions are very important to us. Therefore a certain level of communications skills and a feeling for market conditions are essential," explains the experienced HR professional. "We are also interested in long-term collaboration." For him to be able to analyze this successfully in the application phase is a both challenge and an outcome to be realized.

Logistics is a sector with a future. Therefore jobs at E+P are highly coveted. "We offer very good career opportunities. It is specifically the mix of logistics and IT that makes the work exciting and also constantly demands new ideas from our employees," says Markus Gierse. "This is the only way we can continue to develop smart solutions for our customers."



Kawasaki

Ninja

psystem

5 years of pole position in warehouse logistics.

First at the start and first to the destination – this wasn't always the case for Raphael Widera. In the very early days of his carting career at the age of six, he mixed up the accelerator pedal with the brake. Today instead of brake lights only his tail lights can be seen. And it's all a question of technology. This also applies to his place of work, the EBL Logistics Innovation Center – Ehrhardt + BOMAG Logistics.

EPG has been operating the logistics center since 2012. This is where BOMAG original spare parts in all shapes and sizes are stored and shipped throughout the world. As Warehouse Manager of EBL, Raphael Widera is the man of the hour and is jointly responsible for the design and implementation of the processes in the high-bay warehouse with integrated automatic shuttle and in the automated small parts warehouse. "The biggest challenge before the go-live was to implement customer requirements into solutions," says Raphael Widera. "To achieve this we provide the best pre-conditions." EBL is equipped with state-of-the-art warehouse technologies. Its own technological

innovations such as the LFS.oculus3D data collection and detection system are constantly being driven forward. Warehouse planning and consulting concepts can now be applied and continued to be developed directly. Furthermore, in addition to the LFS.academy offering, customers have the option of putting their theoretical knowledge to the test and applying it in real-life during EBL live operations.

THE STREET

The success is the result of the work of Raphael Widera and his 50 strong team. He recalls: "2013 was a very exciting year for us. In Brazil the football stadiums for the World Cup were being built using BOMAG machines and we received the order for the production supply." EBL is airfreight-certified. This ensures fast handling at airports, for instance also for the shipment of spare parts to China or the USA. Today with 500 orders and 2,000 items, the daily throughput for the Bopparder Maschinenbaugesellschaft is 20 percent higher than at the start of the project. Almost 50,000 spare parts are stored at EBL – and the potential is far from being exhausted.











Dear future, we are ready!

More connectivity. Smarter.

means a new phenomenon – and developments are continuing. Following on from Logistics 4.0 the sector is now embarking on a new era – of cognition. What exactly is this all about and what ning and analysis basis. Big data becomes smart data. No longer does it mean for logistics processes?

Mr. Ehrhardt, we are now at Logistics 4.0 – yet we forecast which will flow through into increased certainty when it are already approaching the next development comes to planning. It is conceivable that smart systems will make phase in the sector?

Increasing digitization, changes in consumer behavior and the tervention at all. A sophisticated, cognitive - or learning - system growing e-commerce sector are all factors which require companies to have a rethink. Customers' expectations are also increasing. If the ordered item is not delivered at the latest on the next supporting employees in their decisions and dispensing advice. day or if the desired item is not in the warehouse, dissatisfaction can quickly ensue. This poses totally new challenges for logistics and by implication there needs to be more intelligence integrated into the underlying IT systems. As well as the connectivity of all logistics processes and technologies along the supply chain, this work today. must also be managed smartly and centrally as one whole entity. A modern Supply Chain Execution System (SES) as a smart control center provides all data relevant to the entire supply chain transparently and interconnects them all. Because only when ensuing data volumes can be managed transparently, is an endto-end overview and a more efficient process design possible in connectivity phase or are still at the very beginning of the implepractice. SES tools are already used in this regard to increase productivity and avoid errors and therefore SES are also used as a platform for the next development phase of cognition.

What exactly is this all about?

In future logistics will be defined by cognitive systems. These ogies – and is therefore already moving down the path towards systems are able to learn, recognize patterns and derive recommended actions from them. This means they can support employees in their decision-making or provide advance notification of events likely to occur. The logistics sector will absolutely benefit And this is what we are working towards every day.

The digitization and connectivity of logistics processes is by no from these functionalities, because until now process optimizations have been based on past findings. The era of cognition will change the perspective because it operates on a forward planwill data volumes be the crucial factor, but their quality. Trends will be detected automatically and probable scenarios will be decisions based on predictive analytics without any human incan communicate with human beings in natural language. It will become a smart colleague by contributing to thought processes, This takes us into the methodology of deep learning where artificial neural networks teach machines to think. Although the reality of self-learning systems being deployed in warehouses is still far in the future, companies must nevertheless lay the ground-

How are companies preparing for the cognitive

Here are the facts: Cognitive logistics is still in its infancy. Many companies have either not yet completed the digitization and mentation. And in many companies this still forms the basis of their next steps. However, they must be made aware of the fact that the implementation of Logistics 4.0 scenarios are absolutely necessary for future survival. Our LFS has been designed for the connectivity and digitization of logistics processes and technola cognitive SES. In future, only companies who rely on comprehensive systems will remain competitive. Connected thinking and actions are key requirements for the solution of the future.



Supply Chain Execution System LFS.

Intelligently networked.

