

# SUCCESS-STORY EPG | LFS

## ABUS RENEWS WAREHOUSE MANAGEMENT AND LOGISTICS

Warehouse Management by EPG





By creating a high-performance logistic infrastructure – especially with an automated warehouse management, a materials handling system and improved working and picking processes – the ABUS August Bremicker Söhne KG fulfils the requirements for delivering their customers. Furthermore, order processing could be accelerated and the logistic transparency and quality could be significantly improved.



ABUS has remarked its customer’s tendency of reduced warehousing. The results are smaller orders, an increasing order frequency and the wish to have a quicker delivery. In addition to that, the specialized trade should have the option of ordering on-line. A web-shop, however, also signifies increasing requirements to the responsiveness of a supply chain. “We thought it was necessary to renew our storage technology to create an efficient availability,” explains Wolfram Schäfer, IT and organisation manager of the more than 80 years old company. The central part was the introduction of the warehouse management system EPG | LFS and the resulting process optimisation. The software implementation and the project realisation were executed by the logistics experts from Ehrhardt Partner Group (EPG) in Boppard-Buchholz.

# ORDER PROCESSING TIME REDUCED BY 75 PERCENT

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The investment had a resounding success. In the past, the picking orders were generated four times a day in a batch run. Afterwards, they were processed with lists and packing slips. Today, an order is ready for picking a few minutes after entering it in EPG | LFS. For processing the order, an average of one hour is required, which is only a quarter of the time required before. “Until the completion of the delivery, the main time is not spent for order processing but for collecting the shipments by our parcel services,” IT manager Schäfer says.

This also serves the quick delivery of the specialised shops that can now directly order items via online access. Many bicycle dealers are connected with the ABUS web shop via their industry solution (Velodata), so that they can order with their own software. “A high-performing logistics solution was the prerequisite for opening this distribution channel to our customers,” Schäfer explains.



**26,000  
PALLET PLACES**

**22,000 PICKS PER WEEK**

**ASSORTMENT OF  
3,500 ITEMS**

**1 HOUR  
AVERAGE DURATION FOR  
ORDER PROCESSING**

**MATERIALS HANDLING  
OF 2,000 BIN LOCATIONS  
WITH PICK-BY-LIGHT**

“We have created a high-performing and flexible storage technology. The logistic infrastructure will be able to carry the further development of the company in the long term.”

Wolfram Schäfer,  
Manager IT and Organisation, ABUS August Bremicker Söhne KG

# NUMBER OF ORDERS EXPLODES IN SPRING

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One special characteristic of the producer of security systems is the separation into different business and logistics sections, which cooperate when required. The department for domestic security, whose logistics has been modernised, is assigned to Hall 1 while the mobile security systems are located in the newly constructed Hall 5.” ABUS receives many orders in spring, when everybody buys bicycle accessories for season’s start,” Marco Ehrhardt, chairman of EPG, explains. It would be too costly to maintain the resources in order to guarantee a problem-free delivery for only a few weeks in the year. When the number of orders explodes, Hall 1 can take over a part of the

orders for the domain of mobile security systems. “The logistics department has to be able to respond immediately,” Marco Ehrhardt adds. “At times, it has to be decided from day to day, whether items of mobile security have to be taken over by the domestic security section in order to meet the delivery dates.” Flexibility is also required due to the diversity of items. Bicycle helmets, for instance, depend on the seasonal fashion. The items which are not sold are stored in the D-items section after the end of season. Those goods only have a low logistic priority, but have to be accessible, for example for sales promotions. Here, picking is done with the help of EPG | LFS and radio frequency terminals.

# NEW LOGISTIC PROCESSES

## SATISFY CUSTOMERS

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The logistic processes were simplified. In the past, information was passed on with papers, for example in delivery suspension or when a customer required a partial delivery. This produced a lot of mistakes and forced the IT and organisation manager to “run after the papers.” This information is now saved by EPG | LFS, which simplifies the procedures and reduces the error rate.

The same is valid for the handling of special customer wishes, like extra labelling or particular packing material. A customer could for instance require the separate storage of single items and a single-variety delivery (e. g. one helmet in one carton showing colour and size). The warehouse management system will eject the item between picking and shipping, display the information to the employee, print the labels and lead the items back into the normal supply chain. As soon as the shipment is ready for delivery, an automated notification can take place, according to the customer’s wishes. Apart from the specialised shops, this procedure is used by DIY chain stores which often provide of modern logistic systems. Schäfer reports a positive feedback from the shops: “You have become a lot quicker.”

# THE LOGISTIC INFRASTRUCTURE IS READY FOR THE COMPANY'S GROWTH

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Hall 1 for domestic security systems had to be modernised and was equipped with a container conveyor with 16 picking stations in which the containers are filled with the help of Pick-by-Light. On average, there are 22,000 picks per week. 7,000 items are stored in the 20 paternoster shuttles (shuttles from Kardex) attached to the conveyor. At the same time, there is a manual picking area for C and D items. Besides the products for domestic security, from doors to video installations, items of mobile security are picked for the seasonal peaks. Those items are afterwards relocated into the automated installation, where they are quickly accessible.

The entire direction is realised by the warehouse management system EPG | LFS, which also guarantees the replenishment. Each confirmed picking process leads to a negative booking in stock. When the stock falls below a defined level, a replenishment order is created for the according item. In addition to that, the system is constantly optimised by classifying the bin locations according to the stock turn rate and by fixing the picking routes according to the utilization of the stations. "We have created a high-performing and flexible storage technology," IT manager Schäfer states: "We have never had to exploit all our resources, because there are always reserves left. The logistic infrastructure will be able to carry the further development of the company in the long term."



# SMOOTH WAREHOUSE MODERNISATION

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Similar effects have already been reached with regards to production, although the logistic modernisation of the three production halls in the Wetter headquarters (including one for special designs like locking systems) and those in Rehe are still in the planning phase. The new ERP system Infor has been connected to EPG | LFS, which takes over the parts lists and the requirement figures. The warehouse management system organises replenishment, putaway and an automated small-parts warehouse and triggers the purchase orders.

ABUS now has a better overview, can easier estimate the work load and can make the staff planning earlier. The different production areas can be prepared for order peaks by organizing the resources in advance. The data exchange with other systems like BMU (distribution and order processing) and Rhenania (shipping processing) is just as simple. If, for example, an employee prints shipping labels in the according system, the data are also available in EPG | LFS.

IT manager Schäfer was surprised by the smooth modernisation. Especially Hall 1 required accurate preparation, because not only EPG | LFS and the logistics processes had to be arranged, but also the new materials handling system had to be installed. This meant a complete modification, of course without affecting the ability to supply. The change to the new technology was planned for one weekend. For the coming Monday, fall back scenarios were scheduled, which proved to be unnecessary. On only one single afternoon before the switch, no deliveries left Hall 1. "To be honest, we did not expect such a smooth switch," Schäfer says.





## THE WAREHOUSE EMPLOYEES ARE ALSO CONVINCED

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One last obstacle to face was the employee's scepticism towards the new warehouse management system. Wolfram Schäfer says: "If an employee has picked with pick lists for 30 years, it is understandable that he or she feels a little insecure in view of such a big change." The management reacted by guaranteeing that no jobs would be cut after the modernisation. In addition, "key pickers" were selected who were introduced to the system in the test mode. "It soon showed that none of our employees wanted to miss the new system."

# COMPANY PROFILE

## EPG – Smarter Connected Logistics

EPG is one of the leading international providers of comprehensive Supply Chain Execution Suite (SES) and employs 700 people at 19 locations worldwide. The company supplies its more than 1,500 customers with WMS, WCS, WFM, TMS and voice solutions to optimise logistics processes – from manual to fully automated logistics environments. EPG solutions

cover the entire supply chain, from warehouse and road to ground and cargo handling solutions at airports. EPG’s comprehensive portfolio of solutions is complemented by logistics consulting, cloud services and managed services, as well as logistics training courses at the company’s own academy.



## EPG IN NUMBERS

 ★★★★★ **MORE THAN 1,500 CUSTOMERS**  
ON ALL CONTINENTS WORLDWIDE

 **700**  
EMPLOYEES AT **19 LOCATIONS** WORLDWIDE

OUR SOLUTIONS ARE AVAILABLE IN **50+ LANGUAGES**

  
**LYDIA® VOICE**

**FASTEST GROWING**  
AND SECOND LARGEST  
VOICE SOLUTION IN THE WORLD

**30+ YEARS**  
LOGISTICS EXPERIENCE



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INTERNATIONAL LEADING LOGISTICS SOLUTION

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WAREHOUSE MANAGEMENT SYSTEMS  
**WORLDWIDE**



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