

Application report – project Fiege, Nordwalde

Project implementation and introduction finished with precision landing

Error rate reduced by 40% after 3 months only

In the Fiege logistic centre Nordwalde, the entire production assortment of the colour producer J.W. Ostendorf is stored and distributed Europe-wide.

Ostendorf is one of the biggest producers of paint, varnish and painting articles.

The entire production disposal, warehousing and execution of the delivery orders have been conferred to the logistics specialist Fiege.

As system for the execution of this task, the warehouse management system LFFS 400 by E+P has been chosen.

Image 1:
Main headquarter of the Fiege group in Greven



On a surface of about 22,000 m² in two warehouse sections, about 10,000 different articles are stored fixed-place-orientated in 20,500 pallet places and on 9,500 picking places.

Over all, about 100 employees process the incoming orders in the three-shift business. During the peak season, the number of employees can rise up to 150.

Every day about 400 orders are emitted from the SAP R/3 system of the client Ostendorf, which then are splitted into 50,000 picking orders by the warehouse management system LFS 400. During the peak season this can rise to 90,000 picking orders. All the picking orders, replenishment to the picking spots and full pallets of an order are centrally managed in the LFS 400 and transmitted to the employees via app. 80 radio frequency terminals.

Via the central warehouse control panel, the execution of the orders can be controlled at any time; the orders of a tour can be postponed. If a single pallet stays at the transition point longer than a predefined period of time, this status

is graphically announced in the control panel and stored in a protocol data bank. By the use of the LFS 400 and the remote data, an almost faultless and continuous process in the entire warehouse is guaranteed. In contrary to the earlier installed solution focussed on PC and Picking lists, now a completely transparent overview into the smallest detail is given.

In this, per day there are 1,500 pallets stored and a correspondingly high

number of pallets are forwarded. Over all, this quantity corresponds to a tonnage of about 750 tons per day, in the seasonal business it can be even 1,500 tons per day.

All pallets arriving from production, as well as the leaving pallets are provided with an EAN 128 label. In the good receipt, the label is scanned and used for storing the pallets. With commercial goods, the LFS 400 creates the EAN-labels for the pallets.



Image 2:
Picking by online radio data transmission



Image 3:
Complete picked pallet

From the assignment of E+P end of July 2000 to the start of operation, only 6 months passed.

Within that period, the specification was created, the connection with the SAP R/3 system of the client was realised and the more than 80 employees of the client were educated in a thorough education programme. Furthermore, all storage places in the warehouse were provided with bar-coded storage place addresses in order to scan those labels with RF-terminals for control purposes in the future business.

The warehouse management system LFS 400 could be parameterized to a large extend, although the individual project requirements of the Fiege as well as the client Ostendorf were very high. Only where those special requests were left, individual program alteration were executed. One of these requests was the delivery bill that had to be designed in accordance with Ostendorf in several languages and with a very strong build-up according to the status of the addressee country.

The today installed system LFS 400 is completely capable for release. One measure of the client Fiege was to plan and realise the release changes within a few weeks and for that, the time needed had to be restricted to overall about 10 days of work.

Following the strict project plan, stocks between Christmas and Sylvester were transferred by remote data and afterwards a random inventory was made.



Image 4:
Rack row with picking- and supply storage location

On the last working day of the old year, the test picking for a small pool of clients' orders was executed. After this last test had convinced the client, the new system started operation on January 2nd 2001 in real business with three shifts per day. Already on the first day, the desired volume of 400 tons was accomplished; the order pool was worked off after the end of the third shift. Already after two weeks, the handling of the system was handled completely by the employees of Fiege and after the go-live support the responsible employees of E+P could transfer the responsibility to the Fiege employees.

Despite the positive feedback during the project, neither the entire project team of Fiege nor the project employees from Ostendorf had expected such a simple implementation and start of operations, especially as this project was the first that Fiege had realised together with E+P.



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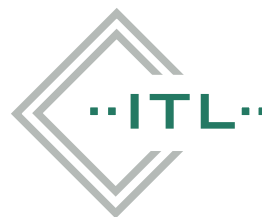
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