

## Flexibility in the warehouse:

# The logistic service provider Geis trusts the LFS 400



Global Logistics

The logistic service provider Geis manages his client's goods, such as Siemens electronic engines or tyres by the producer Nokian with the sector-independent warehouse management system LFS 400 that is able to work with several clients. The modularly conceived software enables the full-time service provider to autonomously manage and maintain the system and guarantees the highest flexibility and security possible.

The Geis group employs about 1,750 people in 47 locations in Germany, Czech Republic and Asia. Per year, the supplier of combined transport solutions and logistic services handles about 3.5 million transport orders. In 2002, a turnover of more than 300 million € was accomplished. In cooperation with internationally and nationally operating partners, the

company has an area-wide logistic network all over the world. Main headquarter of the family company founded in 1948 is Bad Neustadt on Saale.

### Profile of demands of the logistic service provider

The demands from a service provider on a warehouse management system are different from those of warehouses defined by sector like the pharmaceutical industry, alimentary sector or technical appliances. The service provider needs a standard solution capable of dealing with several clients and industries. Therefore, the software has to be conceived extremely modularly so that the requests by the always changing clients can be covered. For an expanding company like the Geis group, which also keeps offices in Czech Republic, the multilingualism of the system was an important criterion. Simultaneously to the existing decentra-



lised system, a central solution for the warehouse management and –administration should be created. Furthermore, the system should be managed and maintained by Geis' own IT-team.

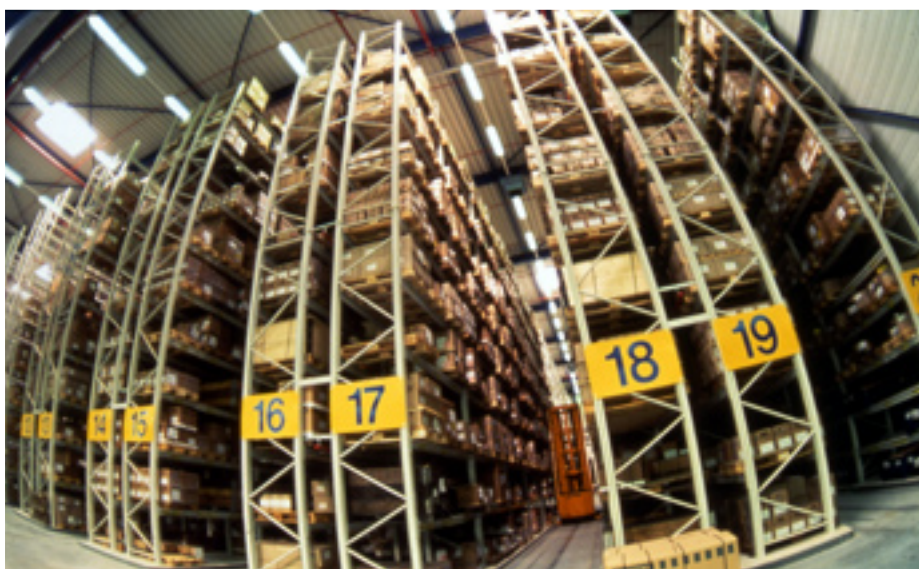
According to the needs, the system should also be activated in other warehouses and adapted to new clients autonomously by the Geis employees. A flexible set up of the processes, which can be configured via parameters in the Warehouse Management System and an easy possibility of upgrading the software later on were expected by Geis. The group decided in favour of the LFS 400 by the E+P warehouse specialists in Boppard. With this choice, the software's standard of development was decisive: E+P belongs to the market leaders in innovations in the domain of warehouse management systems. Besides this the system LFS 400 has interfaces that can be easily connected to all kind of software systems, also self-developed ones. This is also valid for the connection of modern warehouse technology.

### First implementation of LFS 400

E+P implemented the LFS 400 in the Geis warehouse in Bad Neustadt, where the service provider works for Siemens A&D (Automation and Drives). In Bad Neustadt, Siemens produces rotary alternating current engines and uses the attached Geis-installations as a warehouse for finished products and handling.



Logistic service provider Geis needs for his warehouse an intersectoral standard solution capable of being used for multiple clients. In addition, it has to be flexible and modular in order to cover the requests of the changing clients. In the Geis warehouse in Bad Neustadt, the service provider counts on the LFS 400 by the supplier E+P.



**Geis handles about 3.5 million transport orders per year. Out of those, about 160,000 orders are handled for Siemens in the 7,240 sqm big warehouse with its 10,600 pallet places.**

Due to the contractually fixed delivery period of 24 or 48 hours, this warehouse project demanded several things of the service provider and of course the system. "With Siemens, a possible system breakdown and the occurring inability or delays in delivery caused by that were at no times acceptable", says Ralf Lammering, CEO of operations of the Geis Industry Service. "The system had to work at 100 % already on the first day after the implementation. And in fact we have not had any breakdowns since then. „The first software implementation of LFS 400 in Bad Neustadt was realised by the E+P employees.

According to Jürgen Fuchs, the IT-employee responsible for the project, central point of the Siemens project was "the system supported batch administration. Furthermore, it was special that a comprehensive and detailed delivery bill for the engines had to be created. Of course, it was especially important for this first project to have a high-quality support. Through the process-related support by E+P, there were neither technical nor development-related difficulties. Besides that, our employees could quickly handle the system."

About 10,000 orders are handled for Siemens in the 7,240 square meters big warehouse with its 10,600 pallet places. The picking of the stored goods is done

according to weight: products of up to 15 kg are picked in the narrow aisle area with the man-driven lifters. In the second pre-zone, mainly ramp turners are handled. With Siemens, these are client-specific goods from other production sites that are not stored, but directly delivered further at the day of arrival. According to Ralf Lammering, with the LFS 400, "a clear and systematic flow of goods is traceable at any time. Through the system flexibility, the necessary processes and dialogues are easily mapped into the system. This way, the employees can be supported in their everyday working processes by the clearly arranged dialogue direction. Several control criteria guarantee the permanent security of information.

For the employees, there is the possibility of fixing their working processes themselves; potential error sources are eliminated and the single processes are accelerated. This way, the performance quality rises significantly. The LFS 400 also ensures the permanent documentation of the goods issue; the continuously actualised warehouse management system transfers the delivery data to the applied forwarding software. The data is displayed to the client via the web-supported "central information centre".

#### **Flexible client handling with LFS 400**

Through the use of the LFS 400, Geis can react flexibly and within a short peri-

od of time to changed requests and autonomously enter new clients into the system. This way, the full logistic service provider in Bad Neustadt currently stores next to the Siemens engines also outdoor products like foresting or gardening appliances, presents or also clients' seasonal Christmas and Easter articles for the Christmas party 2003 and the Easter holidays in 2004. Even complex changes of the picking concept for single clients could be realised to a large extent by the Geis IT-employees themselves.

As a reaction to the positive experiences with the LFS 400 since 1990, Geis also uses the system via a leased line in other locations. For example, the logistics specialist manages the Nürnberg warehouse with LFS 400. In this location, Geis has the central warehouse for the Scandinavian tyre producer Nokian. The autonomous preparation of the self-implementation for this client was realised by the Geis employees within six weeks only. In this period, the employees realised the connection of the LFS 400 to this system.

Geis trained for the specific task of tyre handling and realised the project in the requested time. In the 8,000 sqm warehouse with its 2,400 pallet places, they store lorry- and car tyres in special tyre racks and deliver them as client orders to wholesalers and special retailers. Through the automatic data exchange between LFS 400 and the upstream and downstream systems, Geis can permanently inform Nokian about the current status of the goods. A continuous flow of information is guaranteed.



**Picker**



Picker

#### Results of the software use

Through the use of the LFS 400, the Geis group accomplishes the following results:

- The service provider owns a stable and future-orientated warehouse management system that he can administer and maintain autonomously.
- The intersectoral system capable of handling multiple clients guarantees high flexibility and security to the service provider for his everyday business.
- New clients can be registered and managed autonomously without the help of the system supplier E+P.
- Through the flexible, predefined dialogues, the easiest and smallest pro-

cesses can be fixed. With the help of the numerous plausibility controls, the standard software eliminates errors and accelerates the processes significantly.

- Once entered data is also archived and made available by the system for the upstream and downstream systems.
- The modularly conceived warehouse management system is flexibly adaptable to the company's development and changing client's wishes.

#### Additional information about the Geis Industry Service GmbH

The Hans Geis GmbH & Co. KG founded in 1948 with main headquarter in Bad Neustadt on Saale has developed within two generations into a global full service logistic service provider. Within the group, the Geis Industry Service GmbH in Nürnberg is responsible for the business section of logistics. Amongst their tasks are planning and realisation of complex outsourcing projects. Here, Geis is charged with various value-added services, from the storage and picking to the customizing of high-quality products. Procurement logistics as well as the production of special packing materials complete the range of the intersectoral and client-specific logistic solutions. With this strategy, the Geis Industry Service is successful. CEO Dr. Johannes Söllner: "We have paved the way for a qualified growth. Growth rates of 15 % like in 2001 and 35 % in 2002, however, can not be repeated every year."



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