



SCHWARZ LOGISTIK

SAP® BUSINESS ALL-IN-ONE HELPS
KEEP STOCK LEVELS LOW AND OPTIMIZE
DELIVERY

QUICK FACTS

Company

- Name: Schwarz Logistik GmbH
- Location: Herbrechtingen, Germany
- Industry: Travel and logistics services
- Products and services: Distribution, warehousing, and logistics services
- Revenue: €35 million
- Employees: 320 in the corporate group
- Web site: www.schwarz-logistik.com
- Implementation partner: SERKEM GmbH

Challenge and Opportunity

Adapt and automate logistics processes to meet customer and market requirements

Objectives

- Implement system-controlled stock placement and removal strategies
- Link up mobile data-entry devices
- Implement multicustomer functionality

SAP® Solution and Services

SAP Business All-in-One solution

Implementation Highlights

- Implementation completed within 6 weeks
- Project executed at fixed price
- Bilingual version available from point of going live

Why SAP

- Protection of investment for the future
- Broad functional scope

Benefits

- Implemented logistics concept to match specific customer requirements
- Based material flows on kanban principles
- Reduced administrative effort thanks to extensive automation
- Integrated mobile data entry quickly and easily
- Optimized deliveries to and from suppliers using the “milk-run” method
- Matched label design and printing to customer specifications
- Made the central solution extendable to include more customers and country versions

Existing Environment

Non-SAP system for warehouse management, replaced by SAP Business All-in-One

“All the strategies we agreed on with our customers for stock placement and removal are mapped in full. Information and material flows are synchronized to the second.”

Thomas Schwarz, CEO, Schwarz Logistik GmbH

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LOGISTIK

What started out as a family-run horse-and-cart carrier business is now – in the fourth generation – an efficient provider of logistics services to the manufacturing industry. A down-to-earth approach and a keen eye for progress are the hallmarks of midsize distribution company Spedition Schwarz, whose fleet of over 200 vehicles transports some 300,000 tons of goods every year. Its sister company, Schwarz Logistik GmbH, was founded in 2005 and handles the full range of warehousing services for customers in the manufacturing industry, delivering goods directly to the appropriate production lines in exactly the right quantity and packaging.

Schwarz Logistik has twice been voted best logistics services provider by one of its main customers, the Bosch and Siemens domestic appliances group, BSH Bosch und Siemens Hausgeräte GmbH. In addition to Schwarz Logistik's reduced emissions policy, BSH values the punctuality and flexibility with which the company fulfills customer orders. It does so by accessing the SAP® enterprise software installed at BSH to receive up-to-the-minute information and orders for end-to-end logistics processes – from goods receipt through warehousing to material staging.

Installation in Six Weeks

"Thanks to our experience working with BSH, we were also able to make a good impression with new customers," says Thomas Schwarz, CEO of Schwarz Logistik. And when industrial metrology specialist Carl Zeiss Industrielle

Messtechnik GmbH and Carl Zeiss Surgical GmbH joined Schwarz Logistik's list of clients, the company decided to implement the SAP Business All-in-One solution, designed for small businesses and midsize companies, for itself. It chose SERKEM GmbH as its implementation partner.

SERKEM, an SAP partner with special expertise in the logistics area, began by holding a one-day workshop to define the requirements of the distribution company and its new customers. Schwarz Logistik and SERKEM set an ambitious goal of completing the project in just six weeks after installation. They succeeded: the SAP applications went live at the beginning of March 2008. "We had reliable processes right from the start. Our customers also confirm that the implementation went smoothly," says Thomas Schwarz.

Logistics Linked with Kanban Processes

SAP Business All-in-One has not only replaced the previous warehouse management software at Schwarz Logistik; it also fulfills other key functions. "We have been able to align our material flows to precisely match the kanban processes used by our customers at Carl Zeiss AG," reports Thomas Schwarz. "And thanks to a high level of automation, we have significantly reduced our manual administrative effort."

Minute-by-Minute Updates

Schwarz Logistik handles the full range of warehousing operations for its Carl Zeiss customers. To achieve this, it extended its existing warehousing facilities by adding new storage areas with good road links to the Zeiss production



location in Oberkochen, not far from Schwarz Logistik headquarters.

Information and material flows are synchronized to the second. Every 15 minutes the new application in the SAP-powered production planning system at Carl Zeiss automatically calls up purchase requisitions and material reser-

Materials are moved between the warehouse and the production facilities in returnable containers. Labels on the containers carry bar codes showing the material number and the load status: "container empty" or "container full." The printing of container labels at Schwarz Logistik is triggered by the customer's production planning system,

"This inevitably increases the price of individual transportation units," says Thomas Schwarz. "That's why we use the tried-and-proven milk-run concept." Based on a fixed transportation schedule, Schwarz collects full containers from the manufacturing suppliers and returns empty ones at the same time.

Central Solution for Multiple Customers and Languages

Schwarz Logistik's warehousing logistics system is equipped for growth. The central solution can incorporate additional customers and warehouses, and even the container labels can be designed to meet customer requirements in just a few steps.

Schwarz Logistik's subsidiary in the Czech Republic is already connected up to the system, with both a Czech language version and multicustomer capabilities realized at the implementation stage. Thomas Schwarz values the ease with which the new solution can be transferred to other customer relationships: "We are negotiating with several big-name customers whose specific requirements we can now meet to the letter."

"The remote scanners can be set up in just a few minutes. We don't have to worry about interfaces, and we don't need special software."

Thomas Schwarz, CEO, Schwarz Logistik GmbH

vations. The subsequent processes are also automated to a large extent. "We benefit from the direct link between the two solutions," says Thomas Schwarz. "We use the standard SAP functions for transfer orders. And, with SERKEM's help, we were able to map in full the stock removal and placement strategies we had agreed on with the customer."

Replenishment Strategy Saves Time and Money

One of the challenges for Schwarz is to transport a growing variety of defined materials and goods (with over 1,000 material numbers) to the production lines and islands safely, at the precise time, and in the correct quantity and packaging for production. Schwarz Logistik and its Carl Zeiss customers, therefore, implemented a replenishment strategy based on kanban principles.

and goods flows can be traced from beginning to end using mobile data-entry devices.

As far as Thomas Schwarz is concerned, the straightforward installation of mobile data-entry devices is a key advantage of the SAP solution. "The remote scanners can be set up in just a few minutes. We don't have to worry about interfaces, and we don't need special software."

Rapid Goods Circulation with Suppliers

One of the core tasks that Schwarz Logistik has to tackle is saving time and money on the transportation routes to and from suppliers. Because Carl Zeiss is striving to reduce stock levels at its production plants, suppliers need to make their goods available more frequently and in smaller quantities than before.



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