

So everything runs smoothly

Operation & Logistics Support

The right goods, in the right quantity, at the right location, in the right quality, at the right time – in theory, the basic principle of logistics sounds simple enough.

In practice, however, it's not that easy. So, what is the problem? After all, shouldn't the sophisticated automatic logistics systems of today fulfil all the demands with ease? While each system and each machine has a specified performance that they are capable of reaching, the actual performance depends on different factors: for example, order structure and order volume, the distribution of articles in the warehouse or organisational processes and warehouse processes and much more. The biggest factor is the human factor and therefore, an automated system can only express its full potential if man and machine are optimally tuned to each other and the respective business cases fit.

In other words: What's the use of a race car with 1,000 hp if the driver is unable to take his foot off the brake? Or if he is in the outback where an SUV is needed? This is where the KNAPP specialists in Operation & Logistics Support (O&LS) come in; together with the customer, they set off in search of hidden potential in the intralogistics system. Even small changes are often shown to have great effects.

Always in search of the best solution

The goal of Operation & Logistics Support is clear: to support the customer in getting the maximum out of his intralogistics solution over the long-term and to always optimize the system for the demands currently on it.

"It's often the case that after a while the system is being used in a way that does not match the originally planned concept – for example, when the customer's business cases change or the article or order structures change. If the warehouse processes and the internal procedures are not adjusted to these changes, sooner or later losses in performance and efficiency appear – the system can simply no longer perform the way it is designed to perform. In such a case, you have to make adjustments to get back to full system performance" explains Michael Wippich, Head of Operation & Logistics Support at KNAPP.

"This is where our Operation & Logistics Support comes into play. With the O&LS, we get involved in very different areas: We view the system and the operation in the warehouse as a whole – organizationally, technically as well as the processes – and find the bottlenecks and uncover potential for improvement. The tremendous experience of our team and the numerous best-practices that we have available give us a lot of help in this, because every system is different and needs a customized approach," adds Christos Doukas, PLC specialist in the O&LS team. The great advantage of the O&LS is that the performance and efficiency increases are usually possible without large construction measures or investments. One example where many small changes made a big difference is the distribution centre of the pharmaceutical company Sanofi, where Michael and Christos were on the job.

Optimizations in the dispatch area:
performance increase in dispatch of
100%; capacity increase of 65%

Throughput was almost doubled:
from 1,000 containers per hour to
1,980 containers per hour

Reduction of 2 shifts to 1

Targeted training for team leaders
and supervisors

"The collaboration is very down-to-earth and reliable. The team knows our requirements exactly and supports us either on location or remote, to exploit the known potentials for optimization. Availability plays a decisive role in this – my contact person is always there for me."

Walter Heider,
Head of Distribution Platform Frankfurt | Sanofi

Sanofi – more vigour in the warehouse

Sanofi is a worldwide leading pharmaceutical company, headquartered in France, and relies on KNAPP automation technologies in several locations in Europe. This is also the case at the Frankfurt location, where the distribution centre has been in operation since 2011. In 2014, Sanofi approached KNAPP because the performance and productivity of the warehouse did not satisfy the demands of the warehouse.

This was obviously a case for the O&LS team. At the warehouse, Michael Wippich, Christos Doukas and the team got a clear picture of the situation. After a comprehensive look into the causes and a detailed analysis of the business cases, processes, articles and internal procedures, it became apparent that quite a bit of improvement could be made in the system performance.

“One of the great challenges was to get the employees better acquainted with handling the system and, above all, with the advantages of the automated solution because these should support them in their work. On the technical level, it was necessary to improve the availability and the stability of the system. We achieved this mainly through the correct handling of the system by the personnel,” recalls Michael Wippich. “Here it was often about small things such as deactivating the

work station when an employee goes on break. This way, no further containers are diverted into the station which otherwise increases the potential for accumulation or triggers a system error. Organizationally, another employee could also simply take over during the breaks. By optimizing the organizational and logistical processes in a few areas at Sanofi, we reached a performance increase of between 65 and 100 percent, without ever having to make any technical changes to the system. On the technical side we adjusted a few optical sensors and made an adaptation to the PLC control system,” adds Christos Doukas.

The Sanofi Frankfurt assignment was a complete success. Walter Heider, Head of Distribution Platform in the Frankfurt distribution center is also enthusiastic: “The advantages of Operation & Logistics Support by KNAPP are obvious. The O&LS team worked directly on site with our technicians on the system parameter settings during ongoing daily business, something akin to open heart surgery. Successful adaptations were immediately applied to ongoing operations. The quintessential factor was the team’s experience – in no time we achieved dramatic improvements in the operation of the system.”

3 questions about O&LS

What is O&LS?

O&LS stands for Operation & Logistics Support and is a separate task force comprising specialists of the KNAPP Group: their experience and know-how is bundled in different areas such as IT and software, automation technologies or statistics and data analysis. On site, the O&LS team analyses all processes in the warehouse and gives the customer targeted help on how to increase performance and efficiency in the warehouse.

What does O&LS cover?

The goal of O&LS is to make it possible for the customer to get maximum performance and efficiency out of his system for the long run. For this reason, O&LS builds on a 3-column model:

Modernizations and upgrades: Where should the existing warehouse be modernized? Is the number of incoming orders unexpectedly changing? Are the business or use cases changing? Together with the customer, the O&LS team finds the right approach for the everyday challenges.

Process optimization: The best technologies only function if they are coupled with the right processes. Well-tuned processes increase the performance and productivity of a system. The O&LS team generates a detailed analysis for process optimization and gives tips for improvement.

Ramp-up support – support during the startup phase: Based on the ABC analysis, the articles are ideally distributed among the individual warehouse areas achieving the highest productivity for each area and each station – the system then makes a smooth transition from the startup phase to live operation.

What advantages does O&LS provide?

The O&LS finds possible technical, logistical or organizational bottlenecks in the everyday work of the warehouse. The O&LS team analyses the initial situation in detail and suggests effective solutions. The productivity, throughput and quality are thereby significantly increased. The distribution of the workload during peak demand is also optimized so resources are used more efficiently. Furthermore, O&LS determines the most important KPI and notes possible sources of error. The customer additionally receives an overview of estimated future developments so measures can be taken early on.

Christos Doukas

Business Partner LAS Solutions*, PLC specialist
Cooperation with KNAPP since 2009

What I like most about my work...

...is that I get to work with so many different people from all over the world and can gain international experience. It's fun for me to support the customer and to customize their warehouse processes to their needs. We use our experience and knowledge from numerous best-practices to find THE fitting solution for every request.

Michael Wippich

Head of Operation & Logistics Support
With KNAPP since 2011

What I like most about my work...

...is the collaboration with customers from all over the world and showing them how to get the most benefit from their automated system. It's just a great feeling when we can achieve an immense increase in the system's productivity – often just through small changes – and really **wow** the customer.

*Since 2009 LAS Solutions (LASS), based in Athens, has been a service partner of the KNAPP Group. Specialists in airport logistics and consulting, the company brings with it innovative services and professionalism and is thus an ideal partner for the KNAPP Group. LASS supports KNAPP in Greece in sales, systems engineering, installation and ongoing customer service. Worldwide, LAS Solutions is a competent and flexible partner for KNAPP Group customers for all service opportunities, for example, in modernizations, maintenance, training or O&LS assignments.