

A VISION TO SUCCEED

SULSER GROUP IS A SUCCESS STORY THAT'S CLOSE TO SWISSLOG'S HEART. HAVING TAKEN ON THE DC OWNED BY A PREVIOUS CUSTOMER OF SWISSLOG IN 2000, SULSER GROUP SET ABOUT ADAPTING IT INTO A NEW LOGISTICS OPERATION. THE SEAMLESS TRANSITION, AND SWISSLOG'S ABILITY TO UNDERSTAND THEIR NEEDS, MEANT WE BECAME A FIRM FAVORITE.

Oliver Lindenberger, Managing Director Sulser Logistics Solutions AG, explains how Swisslog became a valued partner, helping them to succeed and realize their vision.

What was your early business model?

When the Sulser company was founded in 1954 by the father of our Owner, Jürg Sulser, we were a pure transport business. Manufacturers would still maintain warehouses on their own and need transport services mostly in order to move their goods and carry out trade.

For us business changed in the early 1980s, when lean management appeared. Toyota still serves here as the benchmark for this organizational structure worldwide. Meanwhile, lean management, along with its core idea of creating value without waste, has been put into practice across many sectors.

Our company experienced a substantial change at that time: from a classic hauler to a shipping company with its own warehousing and transshipment facilities.

Customers are confronted time and again with the challenge of providing their services faster and more cost-effectively, downsizing, closing their warehouses, or outsourcing.

Ever shorter product lifecycles and a greater diversity of variants require industry and company-specific solutions. This has resulted in the emergence of logistics pro-

viders that, in addition to classic shipping, transshipment and warehousing, also offer value added services, thus evolving into an established third party between customer and supplier.

Depending on the customer's requirements, we select the most appropriate measures to put together a package out of it for the customer. The entire supply chain, including consulting, is reproduced: to achieve this, we identify potentials across the whole value chain and develop concepts of continuous improvement together with our customers.

What were the early issues that led you to consider changing your business?

An increasingly significant role is played by value added services and IT has become more and more important. In globally networked logistics, nothing can work without IT. Data accompanying goods on their way through the world, allowing their unambiguous assignment and permanent tracking. We realized this very early on, and were one of the first providers to map our logistics services to ERP systems. We possess specialized infrastructure and

know-how across diverse sectors of industry and commerce. Today our core business encompasses holistic logistics and transport solutions: from procurement logistics to production-related value added logistics

|| We were there in the first hour when automation started and we support Sulser Group's future success and help them realize their logistics vision. ||

**Daniel Hauser Managing Director
CH, AT, ME**

services to delivery.

What has been the greatest impact of automation on your business overall?

It is the complexity of our business, and the related, constantly growing requirements for our workers. On the one hand, they have a logistics task that is quite easily definable: handling of goods, transport of merchandise from A to B. On the other hand, we have to be capable of understanding and





WORKING WITH SWISSLOG

"The pace of technological developments in logistics is very fast. 'Stoppage is a step backwards' is an old saying, but considering the qualifications of people who work in logistics today, it is more relevant than ever. With Swisslog, we have a long-term partner that understands our strategy and delivers proven technology and modernization. It's a partnership that has worked for many years, from our early years as a transport company, right up to the efficient logistics operation we have today."

operating complex IT systems. We find highly qualified personnel to be a prerequisite for the efficient and customer-oriented provision of high-end logistics services.

What do customized solutions mean to your business?

One of these approaches is Vendor Managed Inventory, a concept where we take charge of our customers' warehouses. In addition, stock and demand data are shown and maximum and minimum stock levels are agreed for each item.

Based on this data we manage our customers' stocks on our own. Data is fed into the inventory monitor directly from our ERP system and updated on a daily basis so that dispatchers on both sides can plan using the same information. Our customers have powerful tools at their disposal which enable them to quickly address on-going situations: which and how many parts have to be delivered can be established in no time.

Where do you see the future of intralogistics going?

In recent times we have been attracting more customers that outsource to us large portions of their business. We see three factors at play:

- The demographic developments will cause the potential pool of highly qualified personnel to shrink in the future.
- Secondly, the growing efficiency of automation.
- The complexity of today's processes and the related need for the service orientation of market players are other drivers of automation technology.
- Thirdly, the challenge for the future is system integration. Processes will be even more interlocked. The diversity of processes keeps growing, whereas quality requirements are increasingly higher.

So long as we consumers want to have fresh roses from Kenya, Chardonnay from Chile or fresh scallops served in a mountain hotel, the world's trade volume will continue to grow thanks to globalization. At present, the annual growth rates range from 6.5 to 8 per cent. Logistics provides a sort of 'backbone' for that, and demand for such systems will keep growing.

Consumers still want roses from Kenya and wine from Chile.



MILESTONES

1968 – Founding of TOURA market, one of the biggest and established distribution center in Switzerland.

1971 – The first automatic distribution center completed by Swisslog forerunner, Sprecher & Schuh.

1986 – Modernization of the control system from Sprecher & Schuh.

1993 – New warehouse expansion, with an elevator over 3 floors and a transfer car, implementation of new control software for the conveyor system and more than 2 000 different modifications / optimizations.

2000 – Sulser Logistics AG buys distribution center.

2013 – Huge modernization project delivered to meet Sulser's immediate and future needs.