

Integrated projects demand an integrated approach

Jungheinrich has been a successful materials handling projects and systems integrator for over twenty years, with many of the UK's top FTSE 500 companies listed as satisfied customers, representing manufacturing, retail, distribution and pharmaceutical companies. The secret to Jungheinrich delivering successful turnkey projects is simple - "We place great emphasis on our competence, commitment and consistent approach to providing the right logistics solution for every application."



Steve Richmond,
General Manager,
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Ltd

Mention systems integration and materials handling projects to many users and they will immediately think of large sheds and huge price tags. Whilst this is true for some applications, the reality is there are many more, smaller scale but equally impressive logistics operations delivering state of the art efficiencies that seldom get a mention in the logistics press.

Having a wide range of high quality products available in the market place has certainly contributed to the Jungheinrich success story but products alone do not automatically guarantee the most efficient or optimised solution. This can only be achieved through a combination of products, expertise and implementation of best practice. This has been the blueprint for Jungheinrich developing the expertise and capability in-house, to specify and deliver the right logistics solution for every customer application. "The entire range of solutions, whether manual, semi-automated or fully automated, can be offered from a single source - a position that is unique and one that differentiates Jungheinrich in the market place."

To provide systems of this type requires a thorough understanding of the client's company's business processes and supply chain demands, both now and in the future. Customers will quickly gain confidence in a project team that can demonstrate a high degree of flexibility and expertise, knowing that the end solution being proposed will meet their precise requirements. "It's about experience, clear thinking and a competence based approach."

Jungheinrich recognised that delivering successful projects of every size demanded expertise across the whole spectrum of materials handling equipment, including counterbalance trucks, very narrow aisle equipment (VNA), stacker cranes, racking, as well as conveyors, warehouse management systems (WMS) and automated guided vehicles (AGV's).

"This solutions approach must be supported by the ability to offer a range of services to take a project from the conception to design and feasibility studies, through to detailed design, implementation and project management with CDM. At Jungheinrich, this is all provided by in-house support functions to guarantee installation of the best logistics solutions."

It may come as a surprise that twenty percent of Jungheinrich's annual €2 billion sales are from multi-product projects and systems integration. It is also not widely known that Jungheinrich is a major supplier of pallet racking in the UK as well as on the continent, manufactured to a Jungheinrich specification, with Group sales in 2007 in excess of €140 million.

Pan-European partnerships with global reach

The ability to conceptualise and deliver turnkey projects from a single source has been modelled across the Jungheinrich Group, with a genuine pan-European and increasingly global scope, to deliver integrated projects direct from the local Jungheinrich office. "This is one of the major benefits of operating as a direct sales and service operation."

With increasing demand from customers for a pan-European approach, preferred supplier contracts and strategic supply partnerships, Jungheinrich has implemented a group-wide pan-European projects team, with local expertise in each country supplemented by technical specialists for each sector or application requirement.

"Adopting a genuine pan-European approach to implementing projects would have been difficult without a dedicated Jungheinrich direct sales team in each country."

Jungheinrich has its own sales and service companies in 31 countries, across Europe and Scandinavia, from the USA to Russia, in Asia and in China, with its own manufacturing plants in Germany and Qingpu, China.

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Fit for the future

Looking forward with twenty five years of systems integration and projects experience in the UK, Jungheinrich can see further consolidation in the distribution and 3PL sector, placing different demands on suppliers of

racking, cranes, VNA and order picking trucks, as fewer but larger players dominate the supply chain business.

The race to win the home shopping, e-fulfilment market is on. Companies with standard warehouse installations are left wondering why they don't work as consumers demand next-day delivery of single item orders. As distribution volumes fall but order frequencies increase, the ability to flex picking cycles and prioritise urgent orders is critical to winning on-line customers.

Traditional bulk stores are giving way to greater numbers of picking faces, increased picking efficiencies, with pick to light, pick to voice and integrated WMS systems supporting wireless based controls, RDT, barcode readers and RFID. As ever, there will not be a 'one size fits all' approach from Jungheinrich, as each solution will continue to be unique to that customer's needs.

The ability to quickly adapt to changing market needs will be even more important as the planning horizon for many operations reduces to months rather than years. Warehouse design needs to be increasingly flexible with different materials handling and order-picking equipment needed throughout a contract as consumer demand changes.

Warehouse labour is an expensive and often scarce commodity. Automation for those parts of the process that will not change makes good sense. Jungheinrich is designing and installing an increasing number of mini load systems to increase pick rates without increasing the cost per pick, freeing up labour for operations where selectivity is more important.

Global perspective

Based in Moosburg Germany, Jungheinrich's Richard Brandstetter is responsible for the overall development of the Group's systems and projects business, with continuing demand forecast from intra-logistics businesses keen to benefit from new technologies.

Commenting on future developments, Mr Brandstetter said: "The growth of internet shopping and the demand for ever

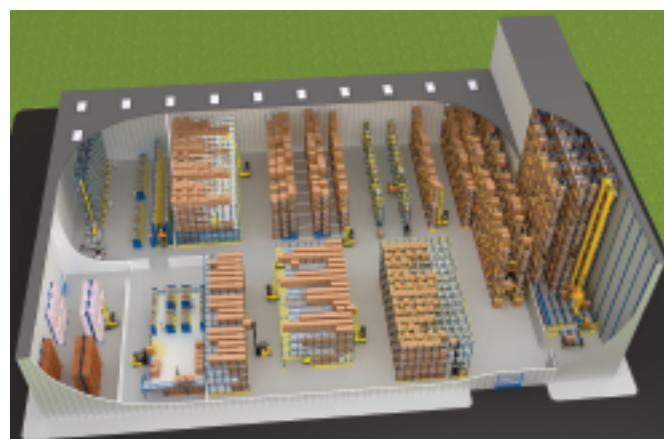
more efficient picking systems, requires operator cabins with more space and better ergonomics for picking higher volumes. The use of intelligent interfaces allows for the adaptation of customised picking attachments to pick lots of small articles in one application and single large items like furniture in the next. The increasing use of wireless terminals, scanners and RFID readers allows the truck to be used in a more intelligent logistics role."

Considering the application of automated systems, Mr Brandstetter concludes: "Jungheinrich expects growth in demand for both semi-automated and fully automated systems. Projects will include fully automated picking areas for boxes, totes and cartons, operating alongside semi-automated systems and manual storage for pallets and stillages. This allows for optimal use of available space with a high degree of flexibility for further growth."

Team approach

Emphasising the team approach to delivering future projects, Jungheinrich UK Managing Director, Hans-Herbert Schultz adds: "Jungheinrich is unique among the leading truck manufacturers in supplying integrated systems and turnkey projects from a single source. I doubt whether we could achieve this if we were simply a lift truck manufacturer driven by unit volumes. The fact is that being privately owned and independent of competing corporate interests, Jungheinrich can take a longer term view of the logistics market and engage with customers in forward planning to ensure their future requirements are met.

Jungheinrich customers also know that we will be around to support them as their businesses change and grow. We have over 600 product specialists throughout Europe, supported by 2,900 service engineers, to maintain a close-knit network of competent technical support and comprehensive service. I am certain that our dedicated approach to integrated projects matched with our integrated skills, will keep Jungheinrich at the forefront of implementing logistics projects for years to come" concludes Mr Schultz.



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