

EPG[®] ONE[™]

SUCCESS STORY WAREHOUSE MANAGEMENT SYSTEM (LFS)

YKK Accelerates Logistics Strategy with EPG



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YKK

Little Parts. Big Difference.™

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Smarter Connected Logistics[™]



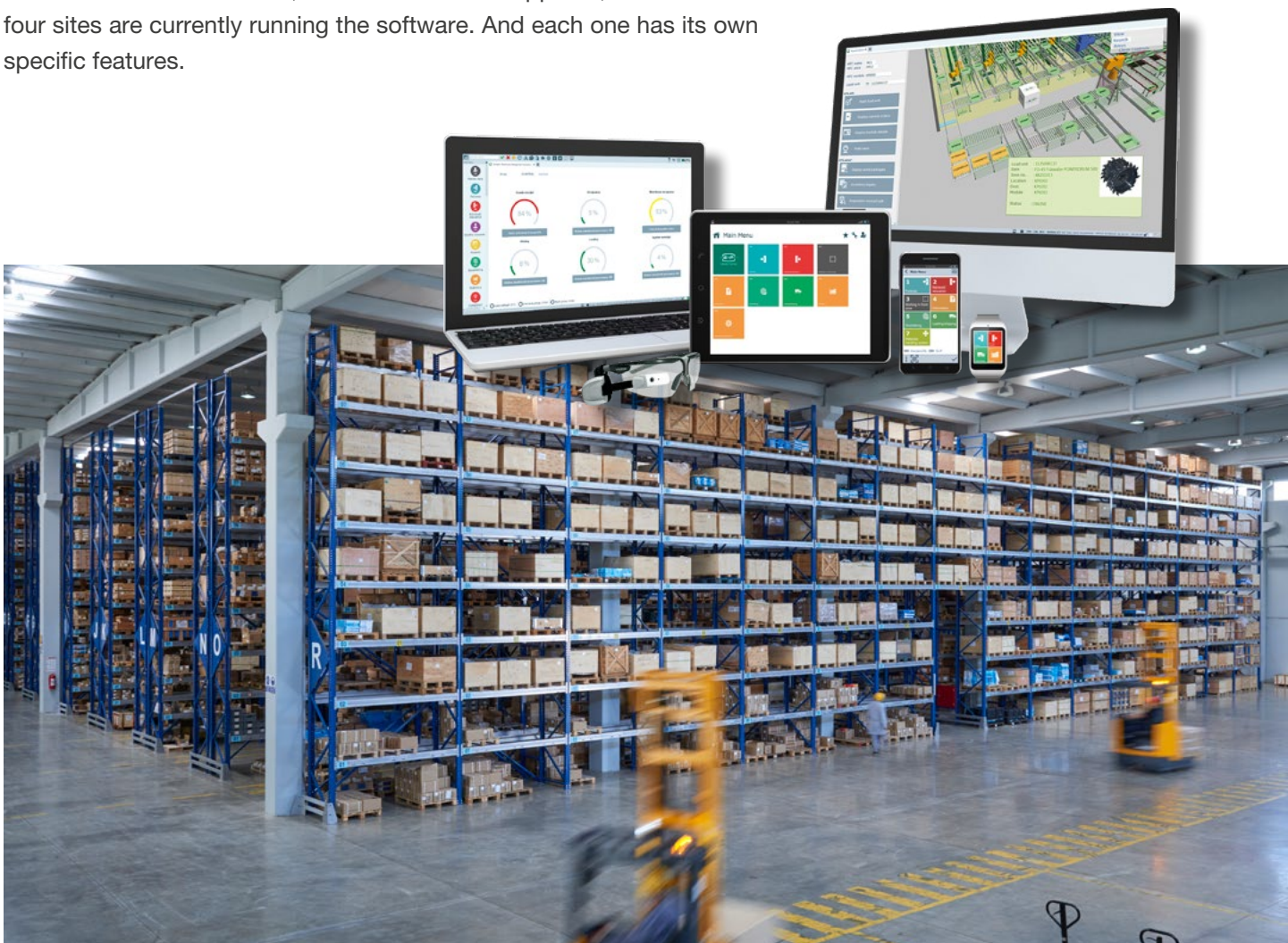
A custom product portfolio requires custom logistics management. Leading zipper manufacturer YKK has been using the EPG ONE Warehouse Management System (LFS) since 2014. What was a mammoth task for the company at the time because of its extremely wide range of different items is now proving to be a real lifesaver. The software from Ehrhardt Partner Group (EPG) is growing with the company. It now manages a total of four sites in Europe and ensures maximum accuracy for the inventory of the zipper manufacturer's very wide range of items and variants. LFS manages both production and storage, as well as the supply of spare parts to the company's own machines. Thanks to the positive experience from the first joint project six years ago, YKK has continued to look to the logistics experts at EPG for support. So far, stock differences have been reduced by around 60 percent.



The leading zipper manufacturer has been following a strategy of continuous investment in new products and technologies for over 80 years, including in logistics, which means the company constantly faces new challenges. The wide range of items for the very different applications were a particular challenge for EPG and YKK in their first project in 2014. The primary focus was on optimum handling of variant and high inventory reliability. The sites in Germany supply recipients around the world – from large industrial customers to smaller retailers. YKK closure solutions can be found everywhere – from zippers and special solutions for jeans, to bags, baby clothes and tents, in red, green, yellow and blue. That puts high demands on logistics and production management.

INCREASING INVENTORY RELIABILITY AND RESPONSE TIMES

YKK holds goods for a longer period for customers who place regular orders, which means that the inventory must be reliable. Inventory management in LFS therefore plays a central role, so the first step involved adding an automatic delivery and reservation function. „From the first project in 2014, we knew LFS can optimally implement our requirements and, above all, respond to the specific features of our business,“ says Alexander Sann, Logistics Manager at YKK in Germany. „That positive experience and the high performance of the software convinced us – and that’s why we are also looking to LFS as we modernize our other sites“. The aim was to roll out the system throughout Europe, to guarantee 100% inventory reliability and to increase response times. „To remain competitive in the market, we have to keep up with the times and constantly automate our logistics, and LFS provides us with optimum support as we do so.“ There is Wenkbach, one site in the Netherlands, Mainhausen and Wuppertal, which are the four sites are currently running the software. And each one has its own specific features.





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RAW MATERIALS AND FINISHED GOODS STORED IN WENKBACH



50.000 PLACES

670.000 VARIANTS

In Wenkbach, raw materials and finished goods are stored in the pallet and shelved racking warehouse with a total of 50,000 spaces, as well as stock in the production area. This is also where YKK's core business all happens - producing zippers. LFS manages all the variants, as well as replenishment for production. To ensure optimum handling of items of different sizes and colors – there are over 670,000 different variants in total – LFS manages the zippers by bin location. This makes it possible to add items to a bin and to assign mixed items. YKK can then process orders more quickly, as most orders are customer-specific.

BONDED WAREHOUSE FOR MACHINE SPARE PARTS IN THE NETHERLANDS

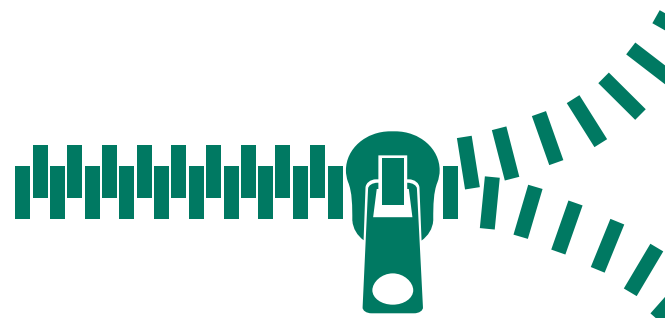


From the Netherlands, spare parts are shipped all over the world to supply the company's own machines – a specific feature of the logistics that also had to be included in LFS. Machine parts must arrive in perfect condition at the production line to be fully functional, which requires strict batch management. Another peculiarity of the site is that the warehouse also acts as a bonded warehouse. Parts supplied by the parent company from Japan are warehoused with duty still unpaid. If the goods are ordered, LFS provides all the necessary information to create an invoice and delivery note straight after the packing process to guarantee problem-free customs clearance. This allows YKK to compensate for the time difference of one day because of the distance between Japan and Germany, significantly shortening the shipping and customs process. The site also uses a pick-by-voice solution, which works with LFS to make sure that employees pick orders efficiently and accurately. The fact that both hands are free while picking orders for in some cases heavy machine parts is really appreciate by the order pickers.



RETAIL WAREHOUSE IN MAINHAUSEN

In Mainhausen, LFS manages all the YKK items intended for small customers, retailers and others, so storage is at the box number level. In a high-bay warehouse, there are boxes, for example, with standard 2,000 m goods. If an order is placed for a partial quantity, LFS automatically splits it and routes the remaining stock to a manual warehouse. Follow-up orders that are less than 2,000 m in length are picked directly from the manual/part quantity warehouse. This allows YKK to prevent too many confusing items being left over in the high-bay warehouse.



WUPPERTAL PRODUCES SPECIAL SOLUTIONS OF THE HIGHEST QUALITY

At Wuppertal, YKK is rolling out LFS to a fourth site. In addition to a warehouse for raw materials, it also is home to a production facility. The unusual feature of the site is that it produces all the special products, such as rivets and buttons. Some of these items are subject to strict standards that require 100 percent testing. When the order is triggered, LFS starts by passing on the order with a check indicator, so that the goods are initially directed to a special inspection station before going out. Mechanical and manual tests are run at the station, for example, for material processing, compressive strength and ingredients. The quality assurance of the items is therefore only carried out when the customer orders them. This is an additional challenge for fast order fulfillment.



„Collaborating with EPG and also working with LFS has been very successful“, says Alexander Sann.

„We have drastically increased the inventory accuracy in all our warehouses and reduced the differences by about 60 percent. LFS meets all our requirements in Germany and the Netherlands. We are planning to further automate our logistics in the future, as it is the only way to remain competitive in the textile processing market. Our next major project will be construction of an automated small parts warehouse. And we'll be using LFS to manage it too.“

**„LFS meets our requirements
in Germany and the Netherlands
completely“**

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