

# EPG<sup>®</sup> ONE<sup>™</sup>

## SUCCESS STORY WAREHOUSE MANAGEMENT SYSTEM (LFS)

Quality and Infrastructure Contribute to  
Europe-Wide Logistics





Galliker Transport AG, a family company with a long tradition, has been providing its customers with transport and logistics services since 1918. The owner-operated family company is aware of the fact that only high quality can ensure the guarantees which enable a company to assert itself in the fast-moving logistics world. This is why the traditional company relies on qualified and well-trained employees and attaches great importance to a modern and efficient infrastructure.



The demands on the logistics service providers are growing steadily; customers expect intelligent and user-friendly solutions for their requirements. The Warehouse Management System (LFS) from the technology provider EPG in Boppard-Buchholz can be implemented for all situations where the logistics provider has to operate warehousing. Over the past twenty years, a successful and close collaboration has developed between the two companies.

# OWN WAREHOUSE MANAGEMENT WITH LFS

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From its headquarters in Altishofen, as well as its branch offices within Switzerland, Galliker operates a general cargo service, which guarantees delivery within 24 hours in all regions of the country. In addition to its home country, the company is represented also in Belgium, Italy, Sweden, Slovakia and Luxembourg on order to provide its logistics services at the European level. All subsidiaries operate with LFS, which is installed at the main office and whose data is transmitted via telecommunication lines, since the system requires reduced bandwidth. An IBM Power System 740, which is only equipped with SSD disks and is therefore very fast, is utilized as well as a Power System 720, on which the backups are executed. Installation and maintenance are the responsibility of four employees, who can execute all work on the warehouse management system as a largely independent operation. The software is therefore adapted for new customers by assigning them a client – currently there are a few hundred of them.

The project for integrating can be executed independently by the Galliker team up to the implementation stage. This is possible as the logistical processes in the system are to be parameterized. Only when there are requirements that LFS does not cover in the standard version is it necessary for Galliker to contact the manufacturer. This is necessary only in about five percent of cases. Often, a workaround is then recognized in the discussion with EPG, in which the requirements have to be fulfilled. A new programming must only be implemented when this is not the case. However, the parameterizing capability of the software is not only an advantage for new customers. It also makes it possible to set up new warehouses, for example when a new location is added.

The team from Galliker also handles the connection of customers' systems. Interfaces are set up with the help of their own converter tools, so that the data exchange functions automatically with the SAP systems of the companies. Integration with proprietary developments is often the case. For customers who do not want automated exchange of data, an input mask has been created which can be used via the Internet instead of by job processing. It is also possible to transfer data via automated processes. In addition, the logistics company provides additional interfaces, such as MDEs or mobile printers for connection to LFS. When Galliker creates a new client, then only one tag is required for including parameterization of the warehouse and creation of the staging location. This applies in 95 percent of the cases i.e. when the business processes are to be represented in the standard system. In the same way, the company's own forklift guidance system will be connected with storage facilities.



**HEADQUARTERS IN  
ALTISHOFEN,  
SWITZERLAND**

**FOUNDED IN 1918**

**17 SUBSIDIARIES IN  
SIX COUNTRIES**

**2,300 EMPLOYEES  
AND 1,000 VEHICLES**

# TRANSPARENCY IN WAREHOUSE MANAGEMENT

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The warehouse is divided into three different areas. Alongside food and non-food, the health care sector also has special requirements for batch management and a validation according to GDP/GMP as well as certification according to Swissmedic. The warehouse management system applies dynamic storage and is executed as location overarching. A product is only placed where space is available. Similar groups of articles are always placed in the same storage area. A basic criteria, which determines how the products are separated, is the temperature specifications from the customers. Galliker maintains various warehouse sections that vary from plus ranges down to minus 28 degrees. Also with this case there are particularly stringent requirements in the field of health care logistics (drugs, materials, substances etc.), and the strict guidelines from the food industry also have to be implemented.

# RESPONSIVENESS AND FLEXIBILITY FOR EFFICIENT LOGISTICS

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A new logistics center is currently under construction in Dagmersellen, which is due to start operation in October 2015. The multi-storey building with a floor area of 230 by 102 meters will have fully monitored temperatures, where different zones can be offered: Ambient temperature, Fresh, Frozen. The team at Galliker thereby executes the connection of different areas and the bulk warehouse to LFS independently. Only the integration of an automated high-bay warehouse (HRL) with 13 automated storage and retrieval systems – 4 of which are located in the deep-freezing area – will require the cooperation of the software manufacturer. The requirements are high – dynamic, manual picking points have to be created in the area storage warehouse in which the respective orders are to be processed. The replenishment is executed fully automatic from the HRL, where the goods are stored on 40,000 pallet places (including 10,000 in the deep-freeze section).

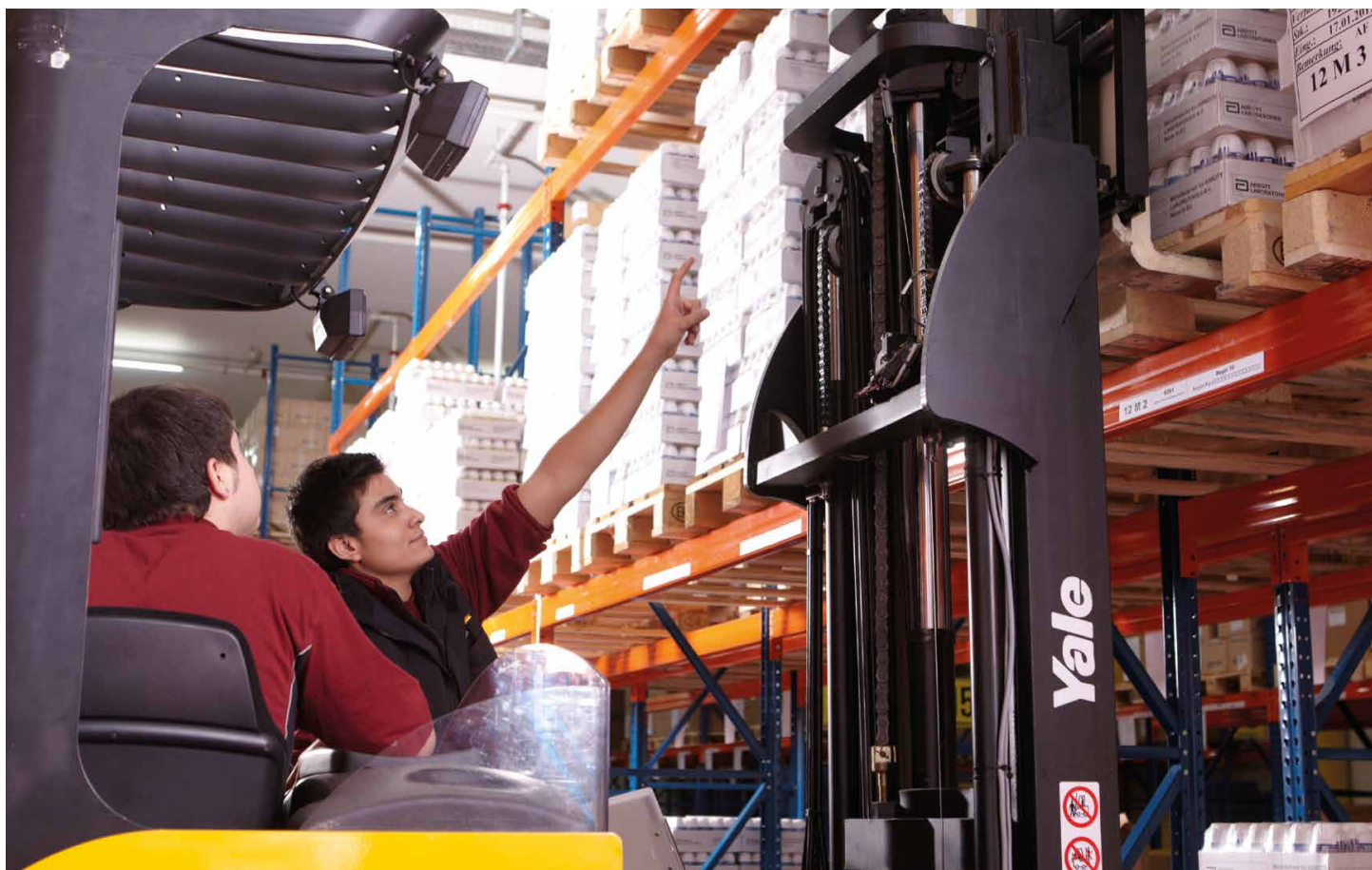
The goal is the highest maximum flexibility. Not only fast-moving products need to be sent quickly and efficiently, for example for sales campaigns, but also the picking should be assigned according to the most urgent order. The storage operation is executed in a flexible manner; often required articles – and this is the case in most instances – are stored in advance in the vicinity of the order picking stations. The pickers work according to various outsourcing strategies such as FIFO or FEFO and utilize MDEs and pick-by-voice.

It is not just about simply loading or unloading pallets, rather more fulfilling the customer's requirements. The management of Galliker believes that LFS fully supports „this core competence of a logistics company“. This has a particularly positive effect when the company has to provide complex logistical services for its customers. The packaging for a renowned cosmetics company is executed in such a way. Once the goods have been picked, they are then transported through a packaging line where labeling robots label the articles with the desired imprint.

# CONTROL OF HIGHLY EFFICIENT PROCESSES

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It has further advantages, in that the warehouse management system can be implemented for controlling the various warehouses. As the system can be used in all areas, the employees can also be utilized efficiently. The processes are displayed as user-friendly in the software; the operator sees only the required information. Furthermore, only the processes that are relevant for them are displayed for them – they work with the application as a process-management system. The Galliker company states the benefits that result from this: „Employees need only to master the LFS system in order to be able to work for each customer.“ This is even more so the case as the system operates with high stability. For Galliker, the software has become a strategic tool that supports the employees in their daily work and simplifies the activities for every single individual. LFS is an important cornerstone for the further expansion of Galliker.



# ABOUT GALLIKER TRANSPORT AG

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The Swiss family-operated business was founded in 1918 and has subsidiaries in six European countries today. Galliker has about 2,300 employees and has a fleet of around 1,000 vehicles at its disposal. This enables the company to provide logistical services which range from goods transport up to tailor-made offers in warehousing and picking. Galliker sets particular importance on qualified employees and a modern infrastructure in order to offer customers high quality and complete services in logistics.

Galliker Transport AG has been a customer of the EPG for more than 25 years. The company has its own team of four employees, which configures LFS, which mainly means that clients are assigned for new customers and new warehouses are established. The company offers all the necessary logistics services and has subsidiaries in six European countries. The warehouse management system is installed at the head office in Switzerland and is utilized at all locations. For Galliker, LFS is a means for further strategic development.

# AT A GLANCE

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## FIGURES

- Galliker has 17 subsidiaries in six countries with 2,300 employees and around 1,000 vehicles
- A new logistics center with a deep-freeze section, a fully automatic HRL with 40,000 pallet places and 13 automated storage and retrieval systems, as well as 45,000 square meters of bulk warehouse and area storage facilities with picking stations is currently under construction

## GOALS

- Ensuring a modern infrastructure with outstanding quality and competent employees
- Know-how in the LFS team of the company to further expand the logistical structures
- Continuous optimization of the logistics, independent of the manufacturer of the warehouse management system, in order to adapt them to ever increasing requirements
- Logistic network of Galliker as a basis for the further development of the company
- Flexibility in logistics from putaway in the warehouse to picking

## CHALLENGES

- Highly efficient warehouse management with sophisticated procedures in storage and outsourcing and fulfillment of the requirement „Permanent availability of all articles“
- Responsiveness and flexibility for efficient logistics for servicing all customers
- Integration with the customer systems as well as with the logistic sub-systems
- Connection of the new logistics center by their own team, with the exception of the automated conveyor technology

## SOLUTION AND SERVICES

- Warehouse Management System (LFS) as own operation
- Utilization of the software with high fail-safe security in back-up mode, maintenance and data backup jointly included
- Programming of the software is only necessary when business processes are not to be displayed in the standard operation
- LFS is fully integrated with customer systems and subsystems autonomously

## RESULTS

- Ensuring the logistics operation with constant delivery availability for the articles
- Transparency in warehouse management with access to the software from all locations of the company
- Comprehensive article management with process transparency up to, and including, the end customer
- Project implementation for new logistics centers up to operation with all systems by Galliker and the manufacturer
- Control of highly efficient processes to achieve a negative error rate of 0
- Flexibility in warehousing and delivery processes for efficient and reliable distribution
- Transparency in stock management and inventory processes
- Logistics supports further growth at Galliker Transport AG

## EXISTING SYSTEM LANDSCAPE

- Integration with customer systems (SAP, proprietary developments, etc.) as well as with the conveyor technology and transport guidance system
- Back-up operation of LFS with data protection, terminals and MDE devices as well as pick-by-voice



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