



MASTERS THE LARGEST LOGISTICS PROJECT IN THE COMPANY'S HISTORY

The biggest logistics project in the history of the INTERSPORT Group to date has been successfully completed: expanded capacity, modernization of central logistics, improved efficiency and speed of delivery to 1,500 B2B branches throughout Germany. During the logistics expansion at the Heilbronn headquarters, we provided expert support to the INTERSPORT Group for the entire project duration acting as their sounding board and sparring partner. Our team of consultants developed a complex intralogistics concept, implemented over five project stages during ongoing operations. The integration of new shuttle picking stations and automatic carton erectors marked the successful completion of the logistics expansion. Startup took place at the beginning of this year – on budget and on schedule! An exceptional achievement for a project of this size.

“Implementation of our logistics concepts was designed with a view to the coming years right from the start,” explains Jürgen Beier, Head of Logistics at INTERSPORT. “Each planning and implementation step needed to consider further development with a future-oriented

approach, while still guaranteeing the day-to-day essential logistics performance. It was, therefore, a logical step for us to continue the proven partnership with Pierau Planung. After all, for many years we have put our trust in the expert hands of the Hamburg consulting team

headed by project managers Hubertus Dieckmann and Waldemar Ungefug.“

Expansion stages in detail

The INTERSPORT Group has been pursuing a rigorous omnichannel strategy for years and decided at an



Dear Readers,

In a time of both big and small changes, the many positive effects of which have already been seen at Pierau Planung, we are taking stock of our first six months in the Fortna® Group. In this issue of Batchpoint we will be detailing exactly where our company is going on this exciting journey.

But first we have a couple of internal changes to share with you: Hubertus Dieckmann is replacing Lothar Hättich on our Management Board. You can find out more about him in his profile on page 4. We also welcome Frank Münch as Associate Director to our team and will be introducing him in the current issue.

The next change is rather more modest in comparison: a new layout for our Batchpoint magazine. The content, however, still follows the same lines – namely a ‘behind the scenes’ peek at some of our projects. Our cover story is a perfect example providing an impressive insight into the largest expansion initiative in INTERSPORT’s corporate history so far. In this issue you can also find out how our customers HARTING and TePe have increased their production capacities.

Have fun reading it!

Andreas Dieckmann
H. Dieckmann



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The stacker crane masts...



... were pre-assembled outside ...

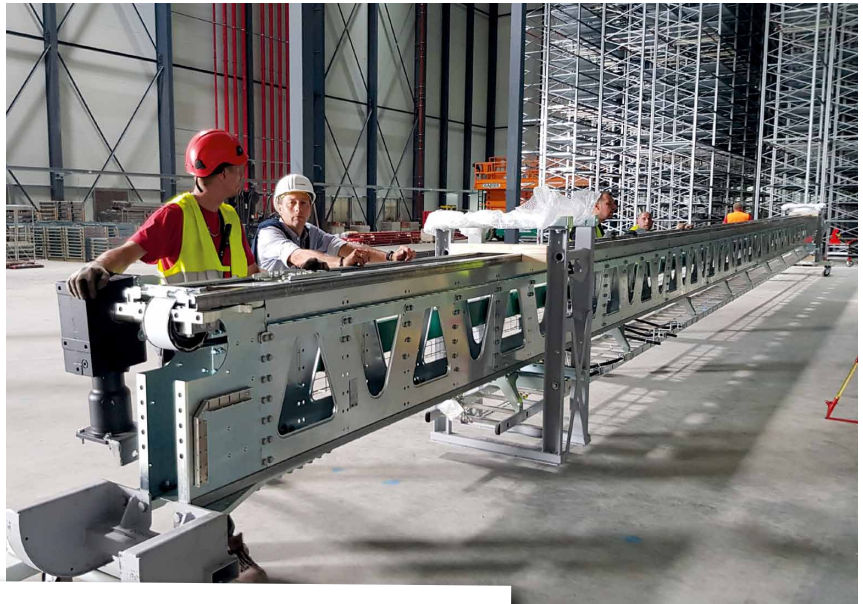
early stage to gradually expand capacities, processes and IT for future growth at the central warehouse in Heilbronn.

Implementation of this comprehensive expansion strategy began in April 2018. In addition to the existing building, a

new high-bay warehouse with an additional logistics space of 10,000 m² was built on 6,000 m² of floor space and measuring 36 m high. For the purpose of optimizing processes, the new building was connected to the existing building and additional storage areas were set up for order picking. Pierau Planung was responsible for modernizing the inventory logistics and introducing the new technology.

Following an increase of more than 70 % in INTERSPORT's warehouse turnover over the last ten years, the picking in particular had to be made more efficient. "With regard to ongoing operations, particular attention had to be paid to the order in which the expansion measures would be integrated in our planning and in a project of this size, this was no mean feat," explains Hubertus Dieckmann. "In the first step, we created

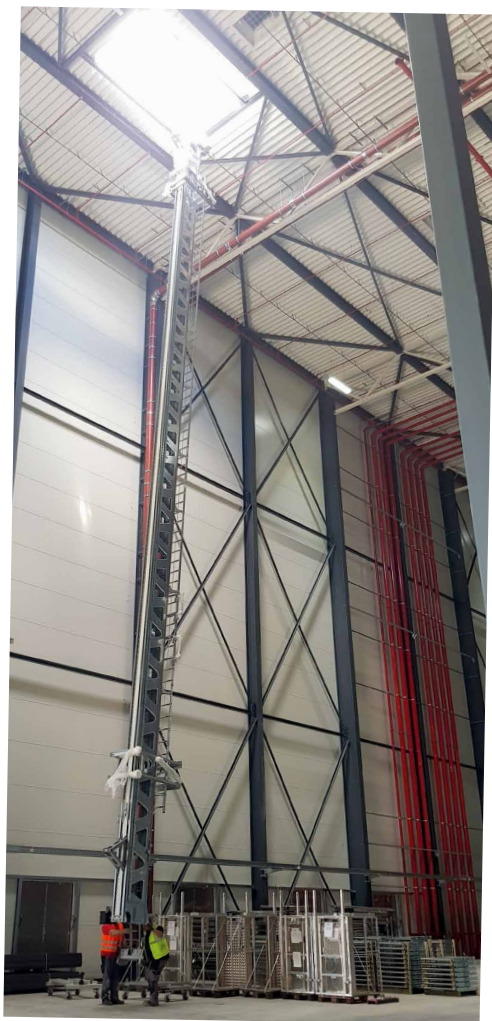
a new picking area with flow racks that are automatically refilled.” Whereas previously replenishment and order picking were largely manual, INTERSPORT introduced conveyor technology and shuttle vehicles for replenishment in March 2019, thus preparing for the next expansion step. This took place in summer when an automated carton warehouse with six aisles and a shuttle warehouse with two aisles were installed. With a capacity of 120,000 cartons in the mini-load and 40,000 storage locations in the shuttle warehouse, INTERSPORT now has a total of 160,000 storage locations. The processes in the new incoming goods area were also automated and optimized. Upon



... on the AS/RS rails.



... and fitted precisely ...



... and inserted through a roof opening ...

in Heilbronn includes automatic carton erectors and the newly installed shuttle picking stations. Using pick-by-light technology, employees pick single articles directly into the shipping cartons, which are then transported to the packaging area on the ground floor. A further upgrade in this area comprised new fast packing stations and automatic strapping machines to modernize workflows in outgoing goods and create far greater efficiency.

“The ramp-up phase will continue until the middle of this year. However, we can already see that the important parameters of time, quality and costs are all on track. Interaction between the participating sub-contractors was exemplary,” says Jürgen Beier with satisfaction. “We are not only talking about a highly

arrival, the cartons are picked up by telescopic conveyors, scanned fully automatically by an OCR camera system and transported to the upper floor via conveyor technology. Six mini-load stacker cranes and 37 shuttle vehicles per shuttle aisle ensure the correct storage and retrieval of up to 1,800 cartons per hour.

The fifth and final expansion of the INTERSPORT central warehouse

complex, successfully completed logistics project, but also about the largest in the history of the INTERSPORT network. With the completed and potential expansion phases (the mini-load and shuttle warehouse as well as the new shuttle picking stations offer potential for future expansion) we have created the necessary preconditions for the long-term consolidation of corporate success and growth under one roof.”

Fit for future growth:

TePe MOVES TO NEW LOCATION

TePe Mundhygiene Produkter AB is on course for expansion: in preparation for the expected annual growth of five percent in Germany, Austria and Switzerland, the multinational manufacturer and developer of oral health products decided to move from its existing building in Hamburg to a larger logistics warehouse. Project support came from our logistics experts. We carried out a site survey and assessment and were responsible for planning and preparing the warehouse relocation. Storage capacity at the new site has almost doubled, including expansion options so that in future, TePe will benefit from optimized logistics processes and streamlined order processing – even with an increasing shipment volume.

TePe Mundhygiene Produkter AB develops, manufactures and markets high quality interdental brushes, tooth-brushes, dental picks and specialized brushes. Founded in 1965, this Swedish family-owned company supplies customers in the B2B and B2C sectors in 60 countries worldwide. TePe D-A-CH GmbH is responsible for sales, customer service and logistics in Germany, Austria and Switzerland.

Sustained growth requires concerted action

TePe's German site regularly receives goods from the company's own manufacturing facilities in Sweden, which are delivered on pallets. After delivery, the articles are stored in designated permanent locations either in the pallet or in the flow rack. There were approximately 115 pallet spaces and around 150 spaces in the flow rack for storage and order-related picking of small oral hygiene products before the move. In 2019, an average of 115 orders per day were processed, rising to 400 at peak times.

"We have been growing steadily for years," says Frank Matthiesen, Operations Manager TePe D-A-CH. "With an expected annual increase in shipments of five percent, we could no longer guarantee seamless logistics in the building we have been using up to now. The move to the nearby larger existing building offered the perfect solution for us to be able to maintain our usual high quality in the years to come. In order to determine whether and to what extent the existing warehouse could be used for TePe D-A-CH's needs, and which existing facilities could be taken over and at what cost, our team of experts headed by Senior Consultant Waldemar Ungefug was commissioned with a site survey. "On the basis of the current performance indicators, we came to the conclusion that the size and storage capacity of the new logistics warehouse would be sufficient in view of the annual growth rate of five percent," says Waldemar Ungefug. "Our survey confirmed that the building would be suitable for TePe's plans as it offers flexible expansion options for the future, which can be implemented in stages and in line with developments. This formed the basis of our positive recommendation." In the course of the relocation management, our logistics professionals supervised the planning and preparation as well as assisting with the RFQs and service provider selection of relocation personnel. It paid off – everything went seamlessly!

The new building is located in the immediate vicinity of the previous site. It is already equipped with pallet racks, which



The new building, here the entrance area, convinces with its modern appearance and offers further growth capacities.

TePe took over together with other existing fittings. Some of the equipment used in the former building, in particular the flow racks, was transferred and used at the new location. The new warehouse currently provides around 350 pallet spaces and almost 300 spaces in the flow racks. At 550 m², the new warehouse building has almost the same floor space as the former processing area, but with a clearance height of 6.50 m vertically, it offers significantly more capacity. "With optimized equipment, this can be used in such a way that TePe will not reach the limits of its capacity until 2025, if the predicted growth is achieved," says Waldemar Ungefug. TePe has the further benefit of process optimization, which was implemented on the basis of an ABC analysis also conducted by our team. "We are very satisfied with the outcome of this project and the cooperation with Pierau Planung," explains Frank Matthiesen. "Thanks to the professional planning and preparation for the move, the project was successfully completed, so that we are now well-prepared for the future."



MANAGEMENT CHANGE – FAMILIAR FACE, NEW POSITION



Hubertus Dieckmann

On 1 July 2020, a major change took place in our company: as successor to Lothar Hättich, Hubertus Dieckmann now jointly manages our company together with Arne Pierau and Björn Brunkow.

Lothar Hättich has worked for, with and on Pierau Planung for three decades and a considerable part of the success that our company can enjoy today is due to his tireless efforts. We do not relish letting him go, but we are also happy for him that he can travel and enjoy himself in the years to come.

With the exception of one colleague who processed Lothar Hättich's application 31 years ago, nobody in the team remembers a time at Pierau Planung without him. So, the times they are a-changin' but the future's looking bright for us! Not only are there many exciting, new and successful things happening at the moment (see our report on the first six months as part of the Fortna® Group on the back of this Batchpoint), but also our new managing director turns out to be an old friend.

Hubertus Dieckmann has already been working in our company for 20 years. During this time, he has consistently earned a reputation as a 'safe pair of hands' for the implementation of large and coordination-intensive projects. Intersport, H&M, Pollin Electronic, EMP Merchandising ... many

of the market giants, which Pierau Planung can count among its customers thanks to successful project completions, trust Hubertus Dieckmann as project manager. He is best known in the industry for his successful logistics IT projects. The introduction or change of WMS projects, and ERP systems in particular, is a complex and far-reaching process that involves a long-term commitment to a decision once made. Our customers gladly place their trust in Hubertus Dieckmann in this regard. He is particularly known for maintaining an overview of all parameters, including the most complex decisions, and for keeping a level head in turbulent times.

What does the change mean for our current projects, future customers and the future of Pierau Planung? Only positive things. Our customers are familiar with our philosophy that we strive to build long-term relationships between them and our project managers in order to pursue the company's goals while working hand in hand. This will not change in the future. Our three-part management gives our managing directors the space for active project work, so Hubertus Dieckmann will continue to be available to his customers as a logistics expert. Not only is he the preferred candidate from the team's point of view, but he also has his finger on the pulse of the market, knows our customers, follows the latest technology trends and can confidently continue the ongoing development of our company. So, it is with a smile and a heavy heart that we say goodbye to Lothar Hättich, who will hopefully visits us from time to time, and hello (again) to Hubertus Dieckmann, who we feel as third managing director is the ideal choice for the continuing development of Pierau Planung. «

INTRODUCING FRANK MÜNCHE, THE NEW ASSOCIATE DIRECTOR AT PIERAU PLANUNG

Pierau Planung's team of Associate Directors has gained reinforcements in the form of logistics consultant, Frank Münch. This graduate engineer has been on board since 1 June 2020. With decades of experience in the fields of logistics and supply chain, he now brings his know-how to the project business of our consulting team at our headquarters in Hamburg.



Frank Münch

'A rolling stone gathers no moss' describes Frank Münch to a tee. His broad professional background, ranging from sales, production and IT to organizational consulting, shows just how much he has internalized the idea that change is imperative to move forward.

Working in management positions in a wide variety of companies, the 55-year-old has steadily honed his skills with a primary focus on trade and logistics. He understands both sides of the coin, from a consultancy point of view as well as the practical side of logistics. "My work as a consultant has benefitted from the fact that I got to know the logistics industry, with all its daily challenges together with the long-term need for adaptations required to meet changing markets, through my responsibilities at Tchibo and Takko. This gives me a unique understanding of our customers' needs and the environment in which logistics projects are implemented."

Frank Münch's commitment to the development of the logistics industry goes far beyond his consulting activities. As the regional group spokesman for the German Logistics Association (BVL), he is familiar with the latest developments in the industry and is committed not only to the exchange of information but also the enhancement of logistics across all sectors. We are delighted to have Frank Münch on board. Welcome to the team! «

HOW ARE THINGS AT HARTING'S EUROPEAN DISTRIBUTION CENTER?

Expanded production capacities and improved delivery performance were the goals that HARTING planned to achieve by commissioning its state-of-the-art European Distribution Center (EDC) in Espelkamp/Germany. A year has passed since the opening ceremony and the results are encouraging. Through the systematic use of innovative technology, delivery performance could have been significantly improved. During the course of this major project, we were on hand to advise the international technology company and provide logistical expertise. Our logistics experts played a key role in the specification phase, workplace design, implementation of warehouse and conveyor technology and traffic route planning. So, how successful has this jointly completed project been?

HARTING Technology Group manufactures electronic connectors together with network components and device connection technologies with production taking place at various locations around the globe. In order to speed up the delivery of finished components and modules to customers in the B2B and B2C sectors, the company has centralised its warehouse and dispatch logistics at the Espelkamp location.

Automation boosts intralogistics

"The very high degree of automation speeds up the logistics but at the same time makes them extremely complex," explains Achim Meyer, Managing Director of HARTING Logistics. "It quickly became clear to us that the dual control principle would not be sufficient to coordinate systems and monitor all areas. To ensure that all planned processes were optimally implemented, that timelines, budgets and deadlines were met and that logistics, including all inspection and acceptance tests, could progress swiftly we needed support from a team

with real drive and a wealth of experience in project management. So, we brought in Associate Director Christian Berndt and his team from Pierau Planung."

Automated guided vehicles (AGVs) are used in the halls of the EDC to pick up the pallets directly at incoming goods, to transport them to the storage and picking areas and finally to transport other pallets back to outgoing goods. The AGV uses RFID technology, a basic component of the project. "When it came to traffic route planning, our job was to ensure that vehicles and employees could do their job optimally without obstructing or endangering each other," says Christian Berndt. "Short routes, compliance with specified distances and clear route markings are just a few of the key words here. And of course we also had to bear in mind that these measures had to be integrated into the technology and IT in order to ensure an entirely seamless process."

In the fully automated storage areas, up to 20,000 article positions are picked daily with around 10,000 shipping cartons being packed. The high-bay warehouses are managed and controlled by EWM and offer space for 6,900 pallets and 120,000 containers over a total area of 4,500 m² and a height of 20 m. In the automatic small parts warehouse, two stacker cranes on top of each other in two, out of a total of eight, aisles ensure rapid automatic storage and retrieval of the fast movers. For fast moving articles and empty containers, the highest pickers in the world (20 m) provided by the company TGW are also in use.

In order to design processes optimally for position-related picking of entire packaging units and partial picking (incl.



All processes in the EDC are highly automated.

Successful start of operation in
2019: the HARTING EDC.

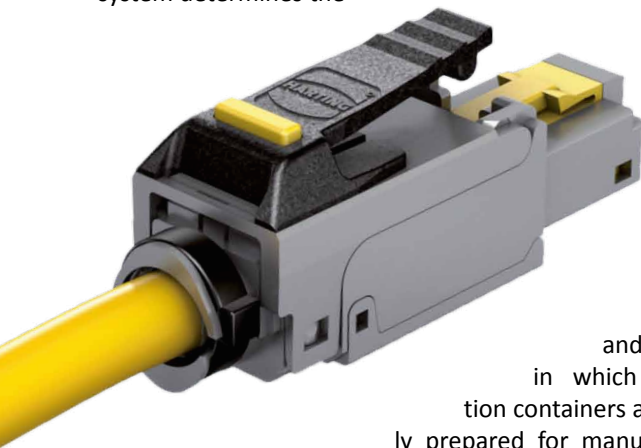


... up to 20,000 picked items and
about 10,000 shipments every day.

*Impressive dimensions:
The fully automated warehouse systems handles ...*

module formation 'on demand'), paperless, two-stage goods-to-man picking is divided into two different workstation areas. "We were able to call on our experience from a large number of previous projects for the planning and implementation of the workplace design," says Christian Berndt. "The respective tasks were explained in workshops and the necessary equipment was determined jointly." An approximate life-size replica made out of cardboard allowed each employee to test the model workstation and suggest potential improvements so that the ideal real-life workstation could be achieved.

A shuttle warehouse acts as a buffer and sequencer to decouple order picking and packing. The EWM application of the warehouse management system determines the



matic labelling machines integrated into the conveyor system. "Our recommendation to apply goods tags to the front of items for quick identification was taken up," says Christian Berndt. "We were also able to advise our client on the benefits of a stretch hooder. This is a worthwhile investment not only in terms of economic and performance aspects but also some of the shipments are sent by airfreight and must meet the relevant criteria. Palletised goods that have been stretch packed are air-safe."

content and sequence in which the position containers are optimally prepared for manual packing. Employees can follow this suggestion or change the order based on their experience. The labelling of address and goods tags is carried out centrally by two auto-

Achim Meyer concludes: "All systems are running perfectly. The technical potential of the installations is being fully exploited and the speed of the processes is impressive. The available production capacities will enable us to continue to grow steadily in the years to come." «

SOMETHING OLD, SOMETHING NEW, SOMETHING BORROWED, SOMETHING BLUE

“Something old, something new, something borrowed, something blue” – this is the custom at weddings in the USA. We too have entered into a partnership. The idea was sounded out internally quite a while ago but took the industry by surprise when we announced the news in early 2020 that after several years of contact between the two companies, Pierau Planung was to be taken over by the global consulting firm Fortna® – The Distribution Experts®. Fortna was founded over 70 years ago in the USA and, like us, is a specialist in the planning and implementation of logistics and supply chain solutions. The Fortna team has successfully won a place in the world of logistics by making bold promises to its customers. These experts make their customers’ requirements their own and guarantee successful project implementation in terms of costs and productivity. As general contractor, they assume full responsibility for budget, schedule and performance and hand over complete, ready-to-use production lines to their customers.

Six months have now passed since the takeover of Pierau Planung, so let’s take stock.

Something old

As our new and existing customers can confirm, we are still there for you and will remain so at our current location, with our current team and with our entire range of services. Fortna fully recognises our services in the planning and implementation of logistics projects and does not intend to restrict them. The first few months of cooperation have confirmed we are a good match, even during these difficult times. Our goals and values are compatible, our service portfolios complement each other ideally and we feel equally committed to our customers. This means that our service portfolio is still available in its entirety. We remain logistics planners for customers in almost all industries, for start-ups and market leaders, in projects of varying size – from individual assessments to the implementation of new greenfield facilities.

Something new

Without changes, the merger of two such powerful teams would not have made sense. Fortna brings something to our union that Pierau Planung would not have been able to achieve on its own: resources and experience for taking on large projects as a general contractor as well as a worldwide presence and global contacts. Fortna has been firmly established in the UK with this service portfolio for years and now with Pierau Planung as a base in Germany, Fortna can offer these services on the European mainland too. Essential background infrastructure, including staff to supervise construction projects on site, contractual arrangements, establishing 24/7/365 customer support and much more – has already been created and is ready and waiting in the wings.

Something borrowed

In the first few weeks the working relationship was still new for the ‘executors’ in both companies. But, as so often happens, desires and goals were combined and we quickly reached a satisfactory mutual exchange in the most diverse areas of the company. Something ‘borrowed’ in our case refers to the many lessons learned, tips and tricks and information on working methods that we have exchanged since then. Taking the best of both worlds, we have continued to expand our performance and experience to the benefit of our customers.

But ‘something blue’ is missing, we hear you say. Oh well, you can’t win ‘em all! Pierau Planung remains Pierau Planung, so we will probably not adopt all the American customs.



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