



Case Study

HANSA/FLEX

HANSA-FLEX AG

Intelligent distribution for over 400 branches

- Worldwide optimized service
- Consistently high data quality
- Decentralized planning minimized

HANSA-FLEX is Europe's leading system provider in fluid technology and a value-added partner for companies of all sizes. The importance of fluid technology is growing worldwide and with it the benefit expectations of customers in all sectors of the economy, in Germany and worldwide.

In addition to individually assembled hydraulic hoses, **HANSA-FLEX** offers a comprehensive complete range of connecting elements for hydraulics. All products are usually available or on site within 24 hours. **HANSA-FLEX's** success principle is called system partnership: It is the breadth and depth of the product range and services that make the company a valued partner, both in the after-sales sector and increasingly in the original equipment sector.

Thanks in particular to its close-knit network of branches and service vehicles, **HANSA-FLEX** can operate close to its customers and deliver quickly and competently. The products are needed wherever machines, systems or heavy equipment are used. Customers' systems have to run - safely, reliably, around the clock. Availability counts, downtime costs money. And that is one of **HANSA-FLEX's** core competencies:

Maximum availability in all products and fast help directly on site.

Processes put to the test

Against this backdrop of high demands on supply chain processes, **HANSA-FLEX** launched a project to identify potential in the processes and develop proposals for improvement. In particular, the planning and scheduling methods and the use of the ERP system (SAP) were to be reviewed in order to further improve the delivery readiness of the central warehouses and around 250 branches and to stock items in line with demand and in sync with the market as far as possible.

Manual data maintenance not sustainable

As is so often the case, incorrectly maintained parameters such as delivery or throughput times were uncovered during analyses. Safety stocks or safety times, which at some point had their justification, were also corrected. However, uncovering many details also brought up the restrictions that planners and schedulers have to deal with on a daily basis and take into account in their planning results.

It became apparent that for the end-to-end planning and scheduling process, manual maintenance actions through diligence by the schedulers and planners were not realistic or sustainable. With compromise, few restrictions could have been eliminated through possible customization programming in SAP. Alternatively, monitoring functions could be handed over to a suitable software system.

About...

HANSA-FLEX AG is a German industrial fluid technology company headquartered in Bremen, Germany, specializing in the development and manufacture of hydraulic components and related services.

Today, **HANSA-FLEX** consists of several business units, which are small companies in their own right. The experience gained and skills developed over more than 55 years are bundled in these business units and put to optimum use for the customer. In addition, there are subsidiaries that complement the extensive product portfolio.

- 28307 Bremen, Germany
- Fluid power manufacturer
- www.hansa-flex.com

Potentials high, investment risk low

During the system selection, **HANSA-FLEX** discovered further advantages of the DISCOVER system in the areas of simulation and automation of routine activities. DISCOVER also convinced with its full-service rental license model, which keeps financing costs and investment risk low and does not tie up valuable IT personnel for system support.

Initially, the project team focused on implementation in three branches as a pilot area. The future planning strategy was defined in planning and scheduling rulebooks with the participation of the branch managers, which allowed important additional information to be taken into account when scheduling materials. Such were, for example, the available storage space in the branches, which limits the storage of large-volume items. Accordingly, the articles were also classified according to volume classes and taken into account in the regulations.

With the start of the new system, there was initially an expense for logistics, as there was a redistribution of stocks in the branches. This meant that some articles had to be stocked higher than before and vice versa. The "higher stocking" was associated with corresponding transports to the branches, while the reduction in stocks was carried out in line with the demand for the articles. Items that were no longer in demand were returned to the **HANSA-FLEX** central warehouses.

HANSA-FLEX benefits sustainably:

Central warehouses

- around **16% inventory reduction**
- around **98% availability**

Branches

- around **15% inventory reduction**
- **The staff was significantly relieved**

Initial skepticism fades

Even after the training of the branch personnel, there was great skepticism as to whether the concept would actually work. But when the first branches were converted, the advantages of DISCOVER were quickly recognized. By automatically setting the MRP parameters of each individual article in the branches, replenishment could be automated. Today, no one has to edit BANFs or maintain master data anymore.

The supply now rolls automatically as if by magic

In addition to the inventory effects, the significantly improved availability of the articles made a positive impact. Now the right stocks are stored at the right level in the branches. This not only leads to a high level of customer satisfaction, but also to a significant reduction in the workload for staff, who now have to reorder and follow up considerably less.

Now controlling over 400 branches at home and abroad

At **HANSA-FLEX**, additional functions are also very welcome by users: The very flexible and powerful reporting is used on a daily basis and the integrated logistics controlling provides up-to-date figures on a daily basis and displays key figure progressions over the time axis.