



VALANTIC - SUCCESS STORIES OF THE DIGITAL NOW!

KNAPP AG optimizes its supply chain with wayRTS

Optimization of planning organization and planning processes

KNAPP is one of the global market leaders among suppliers of complete intralogistics solutions and automated storage systems. KNAPP AG offers solutions for conveying, sorting, storage, and picking. Because customers in industries such as healthcare, fashion, retail, food retail, and industry require individual solutions to manage their complex intralogistics processes, KNAPP's business is project-driven. In order to reduce order throughput times, optimally utilize capacities, and increase on-time delivery, the company continuously improves its planning organization and processes. The APS software wayRTS plays a central role in this.





Results & customer benefit

- Cross-divisional process understanding, joint control of production
- Central scheduling through order management
- End-to-end control with KPIs
- Detailed deadlines and worklists

- Transparency of supply chains with controlled defective part management
- Rapid deployment of basic principles for management decisions thanks to scenario simulation



Jürgen Münch Head of Scheduling, KNAPP AG

"We worked with valantic to introduce a planning process that covers the entire value chain from project management to delivery to the construction site.

Our cross-divisional approach to optimization is supported by the great degree of transparency that we achieve with wayRTS."



The initial situation

Since the beginning of the collaboration, when wayRTS was implemented in parallel with an SAP ERP system migration, the people at KNAPP responsible for production planning and valantic's SCM consultants have been conducting workshops where they search constantly for optimization opportunities. One challenge became clear early on: There were a whole series of planning systems that had to be synchronized manually. Scheduling responsibilities were distributed among several people and departments and were often not transparent. A critical interface in the process was the transition from engineering to production planning. Inventories were sometimes too high, long runners were only discovered very late in the process. Management of defective parts was time-consuming, started too late, and was spread across different systems. One of the causes: The previously maintained set-up costs and batch size optimization stood in contrast to a consistently order-based production.







Centralized planning enables smooth utilization

From the very beginning, realignment of supply chain management for the planning processes was approached holistically. The SAP consultants worked hand-in-hand with valantic's experts, whose APS system wayRTS has deadline authority and is responsible for the transparent planning of order fulfillment without any backlog. A big advantage of wayRTS: Real-time simulations also enable planners to identify the indirect, "hidden" effects of their decisions and to approach the optimal utilization of production capacities. The generally binding planning is then generated in wayRTS.

SAP with a material resource planning and a connected engineering data management system is the leading data system at KNAPP AG. Developing customized solutions to manage material flows is a very project-based business. First, an interface to the ASTA PowerProject project management system was created. However, in its long-term cooperation with valantic, the company also benefits from the enhancement of the <u>waySuite S&OP</u> <u>software suite</u>, which now offers integrated project management with <u>wayPRO</u>. This improves long-term planning, including forecasting opportunities for procurement. The Excel shift plans





can also be replaced with wayWFM Work Force Management. The planning for approximately 700 employees is better integrated into capacity planning.

An important prerequisite for such centralized order planning is meaningful master data. This means that the BOMs must be process oriented. Due to the BOM resolution in MRP (Material Re-The success of these measures is due to the fact source Planning), KNAPP also automated variant that KNAPP succeeded in establishing a new, creation and scheduling. Internal Order Managecross-divisional process understanding with a ment works paper-free – documents are printed view to an overall optimal state: Away from directly in production where they are still needlocal optimizations such as set-up optimization, ed. Detailed deadlines and worklists allow more toward an overall view across all production precise control of production. The great advantage of the new planning organization and using stages. Order management is responsible for central scheduling, which must be accepted by wayRTS is that transparency prevails throughout the entire production chain. Planning is based on all specialist departments. Today, production meetings are held at KNAPP on a daily basis to meaningful KPIs that align with the overall opticoordinate and control the production process mal state. accordingly.

Case Study | KNAPP AG | January 2024

KPIs align with the overall optimal state





Example: The buffer indicator shows how many days before the planned delivery date the material will be transferred to dispatch. wayRTS provides the data this requires. This metric is important for scheduling dates and storage locations. If components are available too early, it must be clarified whether an earlier delivery to the construction site is possible or whether additional storage space for buffering the materials is required. Although wayRTS only plans until the handover to dispatch, the people responsible for installation at the customer's site benefit from the transparency of upstream processes.

Project demand is the trigger, but does not restrict planning

As an important optimization approach, it was clear to KNAPP from the transparent planning that its parts production is now 100% anonymous. The trigger is always a specific project requirement, but in production the parts are combined into optimal batches that combine requirements for several projects. In assembly, 5% are treated anonymously in this way, the remaining 95% are assigned.

Crisis-proof thanks to transparent planning

Prior to March 2020, KNAPP's planners had to process up to a maximum of ten schedule-critical network planning elements per working day. At the peak of supply chain problems, this figure rose to 1200; by the end of 2022, it was about 200. Nevertheless, all this has only minimal (if any) impact on customers, as internal measures compensate for the subsequent process steps. The formulation of the compensatory measures is based on wayRTS.





This is how KNAPP deals with missing purchased parts and delivery bottlenecks: wayRTS automatically indicates a delivery bottleneck and is also the data source for all further agreements. The subsequent delivery of the components to be installed is marked as open components in the SAP user status, and the dispatch delivery date is initially postponed. To prevent SAP from automatically allocating the oldest demands first, a blocked special stock has been set up so that it can be prioritized manually. In coordination with purchasing, production, project management, and assembly, an additional allocation of small quantities is carried out via prioritization.

Important advantages that KNAPP enjoys since it started using wayRTS:

- Mass processing and anonymous production
- Better overview of production processes
- User-configurable views
- Easier to learn than SAP PPS
- •Efficient defective part assessment and tracking of the required measures throughout the entire process chain
- Precise shift scheduling
- Better scalability
- Multi-user / multi-plant capability
- Adaptable to process changes in production



Martin Gollob, Scheduling Projects & Process at KNAPP AG

"Our solution for addressing the material bottlenecks was to provide information that was collected and shared across departments, showing all postponements and their impact on each customer project. The listed shifts are evaluated by the installation team in question in order to prioritize the individual projects and their delivery items. The material allocations are defined and specified in joint agreements with colleagues from the areas of installation, purchasing, and representatives from the projects in the event of resource shortages."



About KNAPP AG

KNAPP is your technology partner for intelligent value chain management. Headquartered in Austria, the KNAPP group provides all-in-one solutions for automation and digitalization, from production and distribution to the point of sale. Excellent service and long-term collaboration make KNAPP the strong partner behind the success of their customers in the sectors healthcare, retail, food retail, fashion, wholesale and industry.

The company develops and manufactures intelligent warehouse systems using the latest solutions in digitalization, software, automation and robotics. At KNAPP, innovation, internationality and team spirit are highly valued. Worldwide, the company has about 7,000 employees, each bringing their individual backgrounds, qualifications and points of view to the table, but what unites them all is the passion they feel for their work. Providing first-class service within longterm collaborations makes KNAPP the strong partner behind the success of their customers. Their customers include the food retailer SPAR, the pharmaceutical wholesaler Herba Chemosan, the fashion brand Hugo Boss, and the e-commerce giant Zalando as well as many others.



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About valantic

valantic is Number 1 for digital transformation and one of the fastest growing digital consulting, solutions and software companies on the market. valantic combines technological expertise with industry knowledge and the human touch. More than 500 blue chip clients rely on valantic, including 32 of 40 DAX companies and many leading international companies as well. With more than 4,000 specialized solution consultants and developers and net sales of approx. EUR 550 million in 2023(e), valantic is represented in Germany, Austria, Switzerland, Belgium, the Netherlands, Portugal, and many additional international locations.

valantic features a unique structure, consisting of divisions, competence centers, and expert teams, which are always attuned precisely to companies' digitalization needs. From strategy to tangible realization. The company's range of services includes the areas digital strategy & analytics, customer experience, SAP services, smart industries, and financial services automation.

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