

## Organising inventory logistics

Lean logistics chain thanks to clearly defined internal and external processes



**Growing production volumes and limited storage capacities led to supply bottlenecks and high logistics costs. A mix of measures – some of them quite simple – increased flexibility and resulted in massive cost savings.**

### The Client

- Telekurs Services AG, Zürich, Switzerland.
- Printing and packaging centre, specialised in complex mass mailings
- Steadily growing production volumes (currently some 450 tons per month)
- Limited storage space because of layout of the premises
- Supply bottlenecks lead to interrupted production, in conjunction with high organisational and logistical outlays

### The Objective

- Ensure supplies to production facility
- Reduce transportation costs
- Minimise non-value adding activities

### The Solution

- Clearly structured storage areas:
  - Computer controlled main stores at suppliers' and haulage contactors' sites
  - Automated pallet store as a buffer between external stores and production; capacity is 5 working days, ensuring rapid and flexible response to changes
  - Manual stock for quick turnaround items, located close to production shop
  - Defined, marked out and designated surfaces for work in progress
- Contractually regulated cooperation with haulage contractor covering storage and transport runs, plus data flow and communications

### The Client Benefit

- Storage and transportation costs were cut by some 30%.
- Supplies to production are ensured, even in heavy volume months.
- Sharply structured and marked out storage zones provide clear overview, facilitating simple material movements and short routes.
- Internal storage capacity is well used but not over-occupied.