

Schukat electronic: Strengthening Warehouse Management Processes

Picture Credit | Schukat electronic Vertriebs GmbH, Montheim am Rhein, Germany. Used with permission.

Executive overview

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Benefits

Company

Schukat electronic Vertriebs GmbH

Industry

Wholesale distribution – high-tech wholesale distribution companies

Products and Services

Electronic packaging, semiconductors, and components

Web Sitewww.schukat.com**SAP® Solutions**

SAP® ERP application, SAP Extended Warehouse Management application

Partners

cormeta ag, prismat Gesellschaft für Softwaresysteme und Unternehmensberatung mbH



Schukat electronic Vertriebs GmbH individually configures electronic products from all over the world and delivers to its customers within 24 hours. Its foundation for **rapid, accurate, customer-specific service** is the SAP® Extended Warehouse Management (SAP EWM) application, which also helped it streamline its processes.

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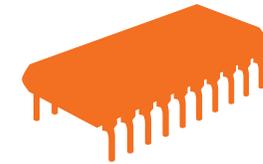
Implementation

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One-day turnaround for high-tech global distributor

From its base in Monheim am Rhein, Germany, family-owned Schukat electronic began selling electronic packaging, semiconductors, and electronic components in 1964. Today, its 125 employees are responsible for distributing large quantities of approximately 20,000 different products made by 200 different manufacturers to 10,000 customers in 50 countries. Schukat's sales revenue in 2011 totaled €57 million from deliveries routinely made within 24 hours to companies who rely on speedy delivery to keep their own businesses going. It was clear to Schukat that it needed a powerful logistics solution.

**20,000**

Different products delivered

**10,000**

Customers worldwide



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Software to sustain growth

Schukat was determined to replace its stand-alone software with a future-proof, flexibly extensible software solution. In addition, it wanted to build efficient and user-friendly warehouse processes using a low-maintenance solution from SAP. At the same time, it had to handle growing requirements in warehousing and warehouse management, while keeping its deliveries shipping smoothly to a customer base that had learned to expect only the very best from Schukat. Its long-term plan of sustainability and continued growth is undergoing further transformation with its current SAP Business Warehouse component and SAP HANA™ platform implementation.

“In a nutshell, we had to equip ourselves for sustainable growth.”

Georg Schukat, Shareholder and Managing Director, Schukat electronic Vertriebs GmbH



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Reliable, extensible software that covers all the options

With a very large base of customers who had come to expect the very best delivery service, Schukat knew the software it chose to run its business as it grew had to be the right software. SAP offered standard software packages that covered its functional requirements backed by a long-standing reputation for both reliability and innovation. In addition, SAP solutions are scalable and provide a wide range of options.

“I think of our new solution as being like a custom-made suit that we bought straight off the rack. It has significantly strengthened our warehouse management processes and empowered us to respond to individual customer requests at all times.”

Georg Schukat, Shareholder and Managing Director, Schukat electronic Vertriebs GmbH



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No-compromise software support for fast-growing company

For many years, Schukat electronic relied on custom-made software to run its business operations. But the software was simply not able to keep up with the company's growth rate and the increasing requirements being placed upon it. "Our maintenance effort was very high. Vendor-side support had come to an end many years before. It was time for us to switch to a future-proof solution that would support fully automated warehouse logistics," explains Georg Schukat, shareholder and managing director.

With the SAP software implementation, Schukat gained efficient support for its complex packaging processes and an automatic, solution-generated packaging proposal.

"We were delighted to find ourselves fully equipped to extend our advanced processes with no compromise made to the software whatsoever. The SAP solutions supported everything we needed, even a direct connection to our lean-lift storage system."

Georg Schukat, Shareholder and Managing Director, Schukat electronic Vertriebs GmbH



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Management of high-rack, lean-fit storage systems

Schukat electronic opted for the SAP ERP application and SAP EWM. It chose SAP partners cormeta ag and prisma Gesellschaft für Softwaresysteme und Unternehmensberatung mbH to support the implementation. Today, the wholesaler uses SAP EWM to manage a variety of high-rack and lean-lift storage systems. Goods are easy to identify and can be traced directly and rapidly to the manufacturer – thanks to bar codes on each article, delivery, and batch that contain manufacturer and date information. All the key data is scanned and documented by the software. The process of managing drop ships, in which goods are shipped straight from the manufacturer to the customer, is also straightforward and reliable.

Employees at Schukat electronic now have a function for entering specific customer requests, such as requests to receive all orders in the original manufacturer's packaging. There are also handy functions for managing minimum sales quantities, special packaging, special measures for hazardous goods, and special batch characteristics. Any relevant information is automatically taken into account during the picking process. Even the more complex packaging processes are defined at the touch of a button. And no matter whether they place their order from a catalog or via the Web shop, customers receive their orders punctually.



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Up-to-date, consistent figures at all times

Because the new warehousing solution is integrated with SAP ERP, all Schukat electronic's business data is stored in a central location. This means that the company's accounts clerks and management team always have up-to-date and consistent figures at their fingertips. "Due to its comprehensive integration, the software performs regular data exchanges from our warehouse operations directly to our financial accounting software. This is a great gain for us. We now have corporate-wide business intelligence. Insight into demand fluctuations allows

us to more efficiently manage larger volumes, resulting in an increase in revenue that would not have been possible with the old warehouse management system," says Schukat.

Schukat electronic can map individual customer requirements flexibly and maintain safe and accurate control of automated conveyor and storage systems. The software posts inventory changes and goods receipt and goods issue in real time.

"Thanks to SAP EWM and SAP ERP, we are setting new standards for warehouse logistics and end-to-end order processing. We can map customer-specific requirements in a standard software package and have the strong basis we need to handle future growth."

Georg Schukat, Shareholder and Managing Director, Schukat electronic Vertriebs GmbH

