

Case Study

Scan-to-Cloud at Schuon Logistik

»I figure that using the Fujitsu document scanner fi-6130 costs only about a quarter of what barcode scanners would cost.«

Horst Schuon, owner and managing director of Gebrüder Schuon Logistik GmbH



Schuon shows how cloud services can support internal logistics

Being one of the largest providers of logistics services, Schuon is always on the lookout for better service, optimized processes, and lower costs. The company found the right solution with scanners from PFU, maker of the Fujitsu Scanner and market leader in its field, combined with cloud software from LogistikBroker. The flexible Software-as-a-Service model provides the „ix4“ material-flow system on demand and the Fujitsu scanners fi-6130 send the data needed to fulfill the order directly from the logistics center situated in the town of Haiterbach in Germany's Swabian region into the cloud application.

Flexible Billing, Lower Cost

Optimum warehouse utilization, less time spent searching, less distance travelled, efficient internal transport, completely documented logistical processes – none of this would be conceivable today without logistics software. However, licensing fees for this sophisticated software represent a major cost factor. Rigid pricing models are thus seldom appropriate. Logisticians think and calculate in terms of processes – what it costs to store a pallet or pull an order – and expect their software to perform accordingly. The flexible software-as-a-service model from the cloud delivers just the kind of use model they are looking for.

Order Picking Gets Smart. "Back to Print"

Schuon is also pursuing new paths when it comes to order picking. Instead of costly barcode readers, the company employs classical document scanners. What at first glance might appear to be a step back to the days of paper, is actually progress. The order pickers work with "intelligent" lists and the fi-6130 document scanner by Fujitsu that reintegrates paper into the digital process chain at the touch of a button. Compared to a solution using Barcode scanners, the document scanner solution costs four times less.

The Customer

Country: Germany
 Industry: Logistics
 Founded: 1951
 Web site: www.schuon-logistik.de



The Challenge

Schuon Logistik wanted to improve its services and at the same time optimize business processes and cost through cloud computing with intelligent order picking. A paper-based order picking process proved to be extremely efficient. Scanners of a different brand could not cope with the environment and the daily document workload.

The Solution

Fujitsu fi-6130 document scanners now scan up to 4,000 pages per day directly into the cloud-based material-flow application „ix4“ by the Swiss company LogistikBroker without a problem.



Gebrüder Schuon Logistik - Modern Logistics with Solid Roots

The predecessors of Gebrüder Schuon Logistik GmbH point back to year 1951, when Alfred Schuon founded his forwarding company with a single truck. When the company grew, it founded „Schuon-Lager“ (storage) in 1987. In the year 2003 the brothers Horst & Willi Schuon took over and changed the company’s name to „Gebrüder Schuon Logistik GmbH“.

The company owns a storage space of more than 75.000 square meters that can hold more that 150.000 pallets. Its 75 employees manage about 4.000 pallet and 8.000 parcel moves every day. Its clients consist of mid-sized companies as well as global manufacturing and trading businesses. For example, Schuon works with eBay PowerSellers or with such traditional enterprises as publishers clearing

house Koch, Neff & Oettinger, for which Schuon organized transportation of the most recent Harry Potter book to bookstores. In its capacity as a fulfilment provider, Schuon is in charge of the entire fulfilment process from warehousing and order picking, through transportation, to delivery.

The Company Motto: Zero Mistakes to Keep Customers Happy!

Being one of the largest providers of logistics services, Schuon is always on the lookout for better service, optimized processes, and lower costs. Cloud computing, intelligent order picking, scan-to-cloud and Kanban technology are just a few of the magic words here. It goes without saying that none of this would be possible without modern IT and an intelligent material-flow system.

»The Fujitsu fi-6130 document scanner is very easy to use. When you see how a little machine like that can easily handle 3,000, sometimes 4,000 pages a day, that's pretty amazing.«

Horst Schuon, owner and managing director of Gebrüder Schuon Logistik GmbH

Flexible Billing and Optimized Processes

The paper-based picking process works efficient and simple: Barcodes adhere to the pick lists. The codes contain all the information needed to fill the order. What did the customer purchase? To what address should it go? Each barcode stands for a definite workflow function, perhaps for a posting, a notice to a customer or a particular shipping mode. The system generates the picking lists directly with the barcodes the moment the order is initiated.

Order Picking gets Smart: Scan-to-Cloud

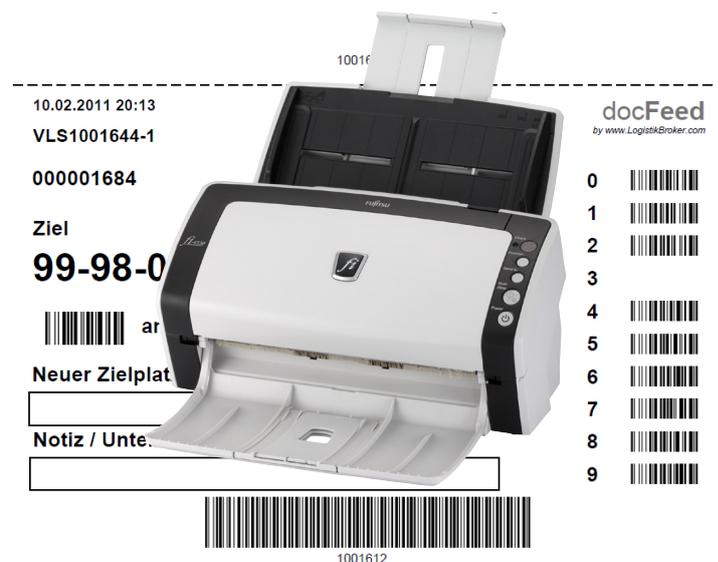
Warehouse workers pick an item off the shelf and trigger workflow actions with the help of barcodes. The procedure is simple: workers simply mark the barcodes or peel them off and stick them onto the package. The barcode method allows warehouse workers to decide how to ship the item to customers, for example. In the final step of the fulfilment process, workers sign the pick lists and scan them with the Fujitsu fi-6130.

Scanning Unlimited: The fi-6130 by Fujitsu

Some 3,500 to 4,000 packages leave the warehouse of Schuon Logistik in this fashion every day. That places demands on document scanners, of course. Schuon, in talking about his requirements, says, "For one thing, it has to handle high volumes. For another, we need a high-precision device because we're reading barcodes. The more accurately it works, the better we can process the data." "We had another manufacturer's scanners before," says Schuon. "The performance just wasn't there." Schuon is completely convinced by the Fujitsu scanner's performance. "When you see how a little machine like that can easily handle 3,000, sometimes 4,000 pages a day, that's pretty amazing."

Simple and Cost-saving

Quick and easy training are still another advantage of this method. Hartmut Krueger, Project Manager and consultant at LogistikBroker, says, "This solution has encountered a good deal of user acceptance." The Fujitsu scanner adds to the equation because it is so easy to operate. Just insert a document, press a button, determine where you want to send it, and you're done. Still another advantage for Schuon is that, "We don't have to keep any costly equipment. We don't need to have ten barcode readers in the drawer that all need to be configured. We'd also need a WLAN infrastructure for the warehouse." Instead, all Schuon needs is a single document scanner and a PC with an Internet connection. "I'd say conservatively that the solution with the document scanner costs only a quarter of what using barcode scanners would cost," says Schuon.



Customer Benefits

- Efficient Hardware - efficient business processes
 - Cost of scanner is four times lower compared to barcode scanners
 - Demand-oriented provisioning and billing
- Scan-to-cloud facilitates collaboration with logistics partners
- High-precision scans provide high data quality
- Reliable scanning in a warehouse environment
- Simple to use for untrained workers

Products and Services

- Fujitsu fi-6130 document scanner
 - 40 pages/minute / 80 images/minute in b/w at 200dpi
 - 30 pages/minute / 60 images/minute in color at 200dpi
 - Daily volume up to 4.000 pages
 - Technologically superior automatic document feeder
 - Duplex-capable
- Cloud platform Microsoft Azure
- SaaS material-flow system „ix4“ by LogistikBroker
- Consulting and integration by PFU partner LogistikBroker



»Logistics is a very seasonal business, subject to fluctuations. Sometimes you need more software; sometimes you need less. The cloud allows me to adjust to fluctuations better. It gives me more flexibility.«

Horst Schuon, owner and managing director of Gebrüder Schuon Logistik GmbH

Digital Logistics Process in the Cloud

The scan-to-cloud step returns the paper document to the digital logistics process. Thanks to scan-to-cloud technology, the scanned information enters the cloud, after which everything proceeds in digital fashion. The logistics software generates a ticket for the package, the customer automatically receives an e-mail with the shipping number and, once the order has been completely processed, the entire matter is filed.

Partners like Stickel forwarders from Nagold, Germany, also adopt scan-to-cloud. Stickel and Schuon have no problem working together thanks

to cloud technology. They use what are known as Kanban tickets to map the various steps in the transport chain. Kanban, or ticket in Japanese, stands for a Japanese system for steering production and logistics processes flexibly in decentralized fashion. Kanban tickets trigger upstream processes, assuring that there is sufficient inventory on hand to replace goods that have left the warehouse. The procedure serves to reduce inventory and enhances delivery capability.

Simple to Use and Watertight from a Legal Point of View

Intelligent pick lists in conjunction with the Fujitsu scanners see action here as well. Schuon attaches a Kanban ticket to every item that exits its warehouse destined for Stickel. All a worker has to do there is tear off the bottom half of the ticket, sign and scan it, and the transport chain between the two businesses has been mapped. The information contained on the Kanban ticket triggers downstream processes in the logistics software in the cloud, such as an inventory update. The intercompany cooperation is also watertight from a legal point of view because all parties involved can retrace who signed and scanned the pick lists.

A Leader in its Field

In the future Schuon Logistik will no longer rely on license-based software. Instead, it will employ Intralogistik Cloud Services by LogistikBroker, one of the first cloud services for the logistics business, based on the Microsoft Windows Azure platform, and it will do so purely on an as-needed basis.

The cloud computing project has made Schuon Logistik a leader in its field: Cloud computing in combination with scan-to-cloud plus direction of intercompany processes via Kanban tickets opens new doors for the logistics industry. And customers will benefit from an efficient delivery process.

Partner



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