Meeting the ever growing requirements in a seasonal business through standardization, automation and digitalization in spare parts logistics

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ISLA Service Leaders Summit Days 2021

CLAAS
Challenge of Spare Parts Business at CLAAS
Automation
„Film“
Digital Integration
Example Shipping System

The Group. Number, facts and figures.

Legal form	KGaA mbH (commercial partnership limited by shares)
Supervisory Board	Cathrina Claas-Mühlhäuser (Chairperson)
Shareholders' Committee	Cathrina Claas-Mühlhäuser (Chairperson)
Revenue 2020	€ 4.0 bn
Profit before taxes	+158.1 million €
International share of revenue	80,1 %
Employees worldwide	11,395

Product Range.

Combine harvesters

Forage harvesters

Tractors

Harvest machines

Balers

Telescopic loaders

Wheel loaders

Software and systems

Service & parts

CLAAS Service and Parts GmbH

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Seasonal business.

Summer:

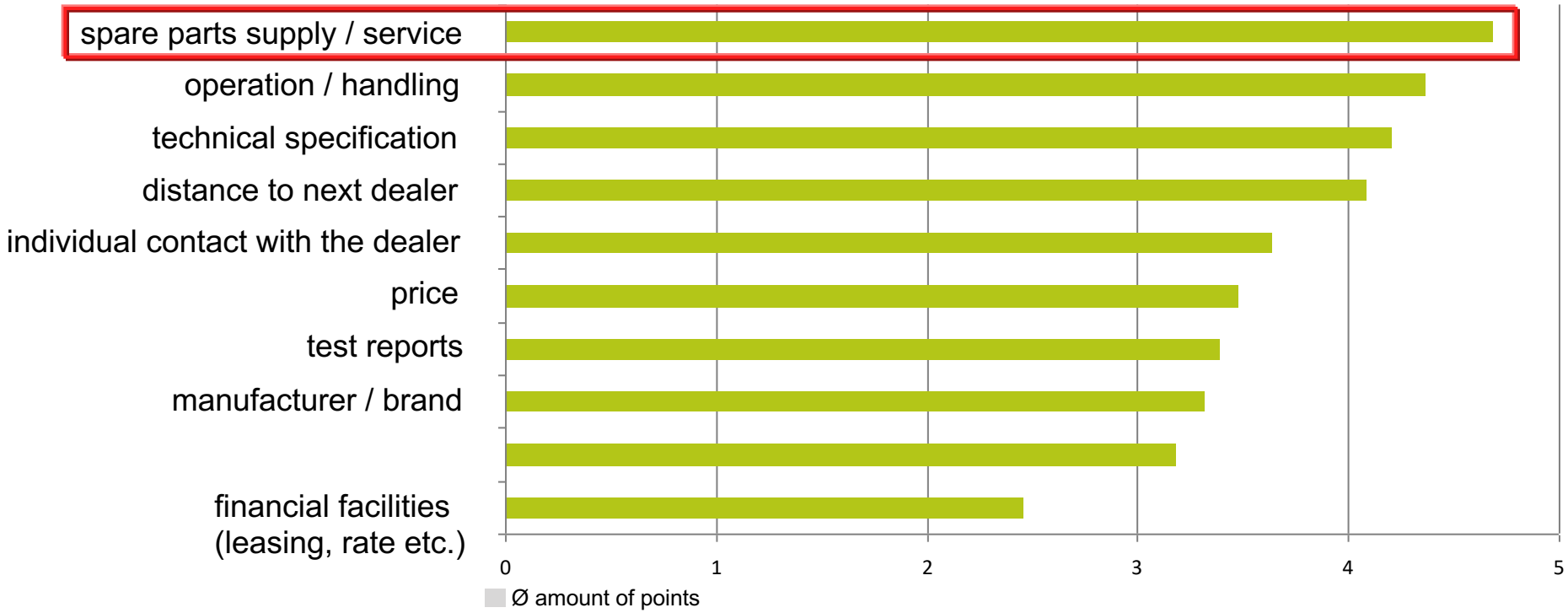
- Very narrow harvest period
- Requires immediate availability
- Price less relevant

Winter:

- Focus on prices
- Intensive comparison of offers
- Lead time as second priority
- High price sensitivity

BUT : There is always harvest time somewhere in the world!

Essential criteria for buying a combine.



rating with points: 1 = unimportant, 5 = the most important

Source: DLG Praxis Monitor

Challenge Parts Business

Situation

- heterogenious IT land scape around SAP
- service expectation of customers is high
- resources are limited and expensive: employee, space, transport
- high seasonality by following harvest season

Standardisation and Automation

- standardisation leeds to flexibility and perfection
- standardisation supports a high level of automation
- Automation reduces costs and increases flexibility
- short time increase of capacity possible

Digitalisation in the network

- chance for standardisation: SAP R3 to SAP S4 Hana
- modernisation of order management
- standard shipping software in the whole sales network (SAP)
- standard warehouse management (EWM S4 Hana) for all warehouses

Intention

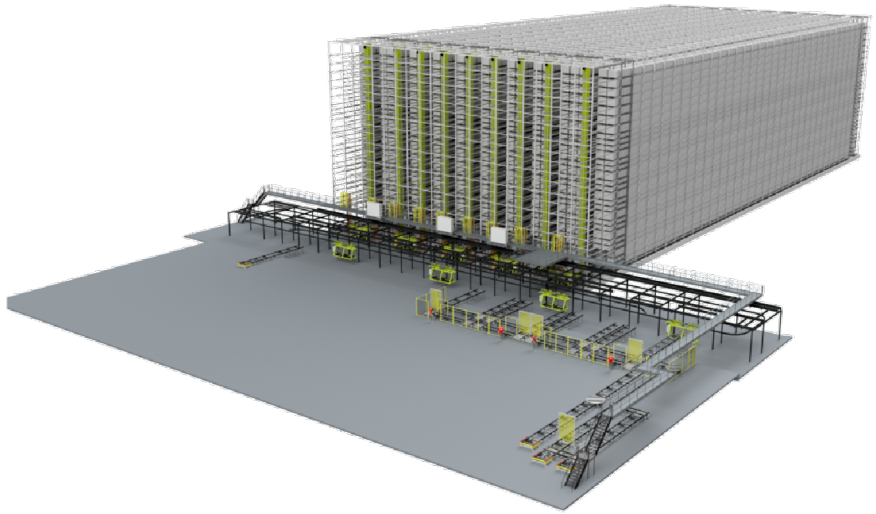
- reducing and stabilising IT costs of the future
- increase flexibility for quick react on demand changes
- Increase quality over the whole supply chain by high level of process integration
- decrease reaction time

Standardisation and Automation

- **High Rack Store (2020)**
  - 58,000 bin locations
  - standard box size (one ground format, two height)
  - 4 pick places / > 6,000 picks per day

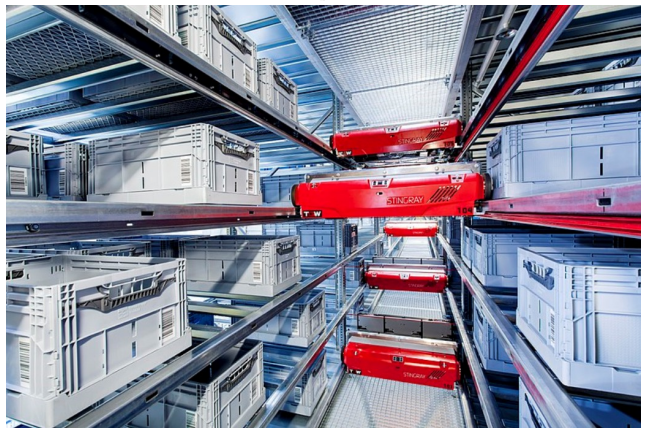
  option to extend in future to
  - 98.000 bin locations
  - 8 pick places

  offers 15.000 m² room for „motion“



- **Automatic Small Parts Warehouse**
  - actutal capacity 100,000 bin locations
  - 6 pick places / > 9,500 picks per day

  Project 2022
  - increase to 150,000 bin locations
    - 3 conventional lanes
    - high dynamic lane with 34 shuttles
    - 12 pick places
    - further extension possible



Today we handle 70% of the turnover and 90% of the positions along this equipment!

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Ongoing digital integration

Together with
Online Services Parts (OSP)
the two applications
Shipping System and **Extended Warehouse Management**
will shape a
sustainable supply chain
to ensure and improve a reliable provision with spare parts for our customers!

Example for standardisation, SAP integration and roll out: Shipping System

Standardization, Automation and Digitalization
will support
CLAAS
to generate the best service for our
Customers!