

## *Krauss-Maffei Wegmann: Warehouse Management System*



Munich-based Krauss-Maffei Wehrtechnik and Wegmann GmbH & Co. KG merged in 1999 to form Krauss-Maffei Wegmann GmbH & Co. KG (KMW). By combining complementary products and expertise, KMW has become the leading systems provider in Europe in the field of armoured wheel-based and track-based vehicles. Extensive maintenance and servicing concepts and comprehensive logistical support round off the company's customer service. KMW's 2,300 employees achieved a sales volume of 600 million euros in 2002.

### **Initial situation**

A new ERP system was implemented in Munich after the two companies merged. Following an evaluation phase, KMW chose the complete solution from PSI known as PSIpenta.com. The change to the organisational structure resulting from the corporate merger also affected the logistics operation and furthermore meant that the ten year old warehouse management system needed renewing. Due to the complexity of the warehouse, a warehouse management system based on a standard ERP system would have been impractical. KMW needed a dedicated

warehouse management system for automated warehouse operation that was capable of portraying the complex warehouse processes. After intense comparison of several standard systems, KMW decided on the warehouse management software from PSI Logistics. Besides the functionality, a decisive advantage was that both the ERP system and the warehouse management system came from PSI and therefore assured trouble-free interaction right from the start.

The specified requirements of the future warehouse management system included flexible multi-user warehouse capabilities and an adaptable bin configuration – i.e. the size of the bins should be assignable in the system depending on the quantity of articles that need to be conveyed. Since materials are delivered just in time and thus in short cycles, great demands were placed on the optimisation of the shelf operating devices as well as on the upstream conveyor system. The system needed to be equipped with appropriate procedures to optimise the processing of picking orders so as to avoid unnecessary movements of materials.

### **Implementation in three stages**

After the specifications were drawn up in 2001, the system was implemented in three stages starting in December. In the first step, the existing warehouse management system was removed within just a few weeks and replaced by a new one, which was initially operated as an autonomous warehouse management

system. This rapid replacement of the system was necessary so that the new logistical requirements resulting from the corporate merger could be implemented in the short term. The second phase involved the online integration in the PPS system via an interface. This phase was started after all the master data were configured in the ERP system. Once PSIpenta.com was fully implemented, online operation was started without prior testing.

Meanwhile, the ten year old conveyor system in the area of the picking stations was upgraded so that it could handle the increased volume. The altered transport and picking procedures could be portrayed in the standard configuration of the warehouse management software without further modification.

### **Hardware configuration**

The hardware configuration comprises a Windows NT server. The data are stored in an ORACLE 8 database.

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