

Success story
Automotive industry
Planning the relocation
and go-live of a global
logistics center for JOST



4flow supports JOST to move its global logistics center to a new location in Erfurt, Germany

JOST is a leading global manufacturer and carrier of security components and systems for commercial vehicles. With its global sales network and production sites on five continents, JOST relies on a global logistics center (GLC) with the capacity to execute all its distribution processes.

Thanks to constant growth at JOST – due in part to various acquisitions – the GLC for spare parts distribution in Neu-Isenburg, Germany, (close to Frankfurt on the Main) was reaching its capacity limits. Legacy infrastructure further complicated parts handling logistics.

Because an expansion of the infrastructure and floor space in Neu-Isenburg was not possible, 4flow was brought on as an external consultant to support the relocation of the GLC, from strategy to concept and planning to implementation.

Step 1 – Comparing network scenarios

The first step was the implementation of 4flow vista®, a software solution for network optimization and transportation planning. The software's optimization algorithms helped the team compare various network scenarios and determine the ideal location for the GLC considering total cost and service level. Both the quantitative and qualitative evaluations pointed to the advantages of moving the logistics center to the Erfurt region. A detailed business case for the whole project convinced the executive board at JOST.

Step 2 – Planning and execution of property selection in Erfurt

In the next step, the 4flow consulting team sought out potential properties in Erfurt together with realtors and project developers. The team decided for new construction, which would fulfill the latest structural standards and enable configuration of the building to meet the business needs of JOST.

Additionally, 4flow took over the planning of processes and logistics technologies as well as the design of the new site. The large range of parts, including very large and heavy parts, demanded intensive analysis and planning of the site's structural requirements. Examples include the floor's necessary weight capacity, the configuration of shelving spaces and the

design of packaging stations with a crane system for shipping. One after another, all the logistics center's functional areas were planned in detail and equipment requirements were identified.

During construction, the team sourced warehouse technology, ground conveyors, shopfloor equipment, a crane system and packing stations. The project needed to stick to an ambitious timeline, and the investments naturally had to stay within the allotted budget. Trust-based collaboration in the project team and short decision-making channels at JOST were important success factors for this process.

Step 3 – Project management for implementation

Once the keys to the new site were handed over, the implementation supported by 4flow began. Cables were laid for the IT infrastructure, and the installation of shelving and crane systems in particular demanded coordination and supervision. IT customization and interfaces were tested and integrated in the process landscape. The organization was set up for operational use, so the new GLC could begin operations immediately after the relocation. At the same time, final construction work on the building was being completed.

“The ambitious timeline for the planning, implementation and go-live of our new global logistics center was only possible thanks to close collaboration and 4flow’s structured project management.”

Thiemo Ruthenberg,
Director Global Logistics at JOST

Customer

- > JOST
- > Automotive industry
- > 3,600 employees
- > Sales and production sites in over 20 countries on five continents

Project scope

- > Completion of a network study to identify the optimal location for the logistics center. Planning of processes and warehouse layout. Support in procurement of equipment, relocation and go-live of global logistics center for JOST.

Results

- > Erfurt, Germany, determined as optimal site for the GLC
- > Layout and process design
- > Planning and execution of relocation
- > Go-live of GLC within budget and on time

Only 12 weeks were allotted for these steps before the first shipments were scheduled to leave the logistics center.

The preparation of operational processes was successfully completed on time. To relocate the parts from Neu-Isenburg to Erfurt, a "cut-over plan" was conceptualized - the step of site relocation in which processes are transferred from the old site to the new one. In this step, customers were informed about the new shipping address, and stock was managed to avoid bottlenecks and enable the physical relocation of all parts. A team of experienced JOST logistics professionals in Neu-Isenburg provided support to onboard the team in Erfurt and stabilize operations.

"JOST very professionally and significantly improved conditions for the execution of its important spare parts business - setting itself up for the future."

Katharina von Helldorff-Mager,
Partner, 4flow consulting

4flow successfully supported JOST with the relocation of the GLC. The end-to-end project and consulting approach enabled fruitful collaboration from strategy to implementation - and the achievement of the optimal solution for JOST.

About 4flow

4flow is a leading provider of supply chain consulting, software and fourth-party logistics (4PL) services. With more than 1000 team members, 4flow is a global partner for its customers at more than 20 locations in Europe, Asia, North America, and South America. 4flow completes more than 300 projects a year in cooperation with customers on 5 continents, in more than 40 different countries. 4flow is headquartered in Berlin, Germany.