Case Study:

Gustav Klauke GmbH

Improving from hands-on tools to a professional solution
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by Eckart Jung (Gustav Klauke GmbH) and Dr. Bernd Reineke

High readiness for delivery, low inventory levels and maintenance of quality levels – that is the challenge the globally growing market poses upon Gustav Klauke GmbH in Remscheid, Germany. A multitude of customer-specific products makes keeping backorders few and flexible reaction to varying customer requirements rather difficult. The Advanced Scheduling System DISKOVER SCO proved to be of invaluable help in this situation. The company could, thanks to DISKOVER SCO, solve many current problems and save costs at the same time in a very short period.

Klauke develops, produces and sells high-quality products for electrical, sanitary and heating engineering. The product range includes over 10,000 high-quality single components, such as eyelets, premium hydraulic tools, plate punching machines and even fibre glass testers. Instruments for manufacturing and industry are part of the product range, too.

Short delivery periods as well as a high readiness for delivery are the promise to the market, Klauke must keep. In the past, however, this promise was sometimes neglected despite massive planning efforts.

Reasons for this were the simple, handmade tools Klauke used to forecast demands. These tools did not enable differentiation of the customers’ consuming behaviour. The unitary methods, which Klauke applied instead, caused low readiness for delivery, high backorders and high inventory levels.
What really counts: forecast quality, little planning effort and flexibility

Wanting to improve forecast quality and reduce planning efforts significantly, Klauke started looking for an appropriate solution. As Klauke uses SAP® for ERP system, the search for a planning and scheduling software started in the SAP® environment. SAP-APO did not fit into the pattern, as costs and the upcoming implementation efforts were too big. A custom-made program in SAP dropped out as well, as development efforts and costs were simply incalculable. At last, Klauke decided to give DISKOVER SCO a try.

The reasons for this decision were:

**The scope of services**
Offering a wide range of features, DISKOVER leaves nothing to be desired. Next to simulation, demand planning, forecast and scheduling, DISKOVER also offers a flexible rule-set. This rule-set works with freely definable decision tables and thus enables the lasting setting of items, parameters and planning methods. As a function of the life cycle label, product phase out or ramp up are now easy to control, avoiding the rise of residual stocks in the inventory.

**Optimisation of forecasting by simulation**
DISKOVER’s main USP, setting it apart from its competitors, is the simulation, which optimises readiness for delivery as well as reduces inventory levels. This kind of optimisation is exactly what Klauke was looking for.

**High flexibility**
Based upon the latest development technology and tools, DISKOVER provides an extreme flexibility regarding extensions and customisations. Features may be added or extended with little effort by using plug-ins. DISKOVER’s adaptiveness has proven to be of much use to the Gustav Klauke GmbH.

**SAP interfaces**
DISKOVER comes with a set of SAP interfaces, thus the implementation of the system takes only little time and first results are quickly at hand. The system addresses standard modules of SAP, considering any little bit of user authorisation and data processing. Klauke’s IT department was always fully in charge of the data DISKOVER accesses and the features in use.

**Excellent value solution**
Due to the innovative leasing model, costly investments for the new software did not occur. The license fee depends on the features and models in use. There are also no hidden costs as for unused and dead software features. Klauke has complete control of the extent DISKOVER is used at which costs. Thus, investment risk is rather fractional.

**Competence in consulting**
DISKOVER SCO is provided by the SCT GmbH, a subsidiary of Abels & Kemmner GmbH. Thus, the software developers can rely on know-how of over 150 consulting projects the supply chain experts of Abels & Kemmner have successfully conducted in almost any branch of business and company size. Thus, methods and procedures are well established and were the surety for the successful implementation and lasting success of DISKOVER SCO at Klauke’s.
Brief period of DISKOVER SCO’s implementation

Gustav Klauke GmbH and Abels & Kemnner collaborated to prepare and realise the system’s implementation. The software provider SCT GmbH installed and connected DISKOVER to the SAP system within one day.

As the consumption data stored in the SAP system was altered by certain past events (e.g. delivery bottlenecks, belated deliveries of orders or capacity bottlenecks in production), time series had to be reconstructed upon the customers’ preferred delivery dates and amounts and rescheduled by bill explosion down to raw material level.

As the first results of the analysis were swiftly available, company and consultants could progress to the conceptional phase rather quickly. Starting this phase with the definition of the logistical business model, the consultants had to find points of isolation and stocking strategies which could be based on the index properties of each material. The integrated rule set allowed SCT’s software engineers to transfer the logistical business model into decision tables. Thus, planners and schedulers may keep the settings up-to-date simply by regular use and adapt them to the current consumption of materials. Regular simulations then allow calculating the ideal forecasts in respect of readiness of delivery and storage costs. Planners may check the forecasts and adjust them according to supplementary sales information.

The optimised forecasts are then transferred as planned independent requirements into the SAP system.

In addition to the forecasts, DISKOVER also passes safety stocks and classification data to an SAP master data screen. This particular feature was especially developed for providing not just DISKOVER’s users, but any planner and scheduler in the company with this helpful bit of information.

Klauke’s success came about quickly

Due to DISKOVER’s comfortable user guidance, planners and schedulers quickly enjoyed working with the software.

The interfaces have been working reliably well up to this very day, so users can follow the current planning situation every day. Screening key figures for updates and planning situations for changes are two examples of the daily performances using DISKOVER. Comfortable alerting features provide the user with vital information of critical conditions in supply in next to no time, so he or she can rapidly act adequately.

Yet, the facts speak most loudly for DISKOVER: Even though sales for one branch of production have risen by 20 %, Gustav Klauke GmbH could reduce inventory by 15 % - maintaining high availability in the market nevertheless.

Also, there was an enormous gain in time, allowing the employees to increasingly focus on critical situations in planning and scheduling.