Digitalised and connected

Intralogistics 4.0 – an everyday reality.

Where are intralogistics headed in an age of digitalisation and connectivity? We spoke with Hermann Ammermann, Head of Logistics Systems at Bensheim, Germany, about adding value for customers by offering increasingly customised, end-to-end solutions.

Hermann Ammermann, if a company wants to digitalise its logistics and logistics processes, demand for a major system solution will not be far off. Drawing on major suppliers like Jungheinrich, however, sounds like a costly exercise. Honestly speaking, can the job not be done just as well by a local system supplier? It's always possible to think on a larger scale later.

Major doesn't imply expensive, any more than small implies cheap. Ultimately, the question is to find the solution that is the most economical for the customer in the longer term. Besides actual performance and the cost of the initial investment, this includes the ability of the software to respond economically to changes and upgrades. And it's also essential to have professional customer service in place to ensure the solution remains available. I believe that we at Jungheinrich are extremely competitive in all of the above aspects.

Hermann Ammermann is Head of Logistics Systems Bensheim, Germany. The 35-year-old has worked in various staff and management positions in the intralogistics industry for more than ten years.

Everyone's talking about Industrie 4.0, digitalisation and connectivity. Is this the future that is already taking shape in the world of intralogistics?

Digitalisation and connectivity are not only the future, but have long been reality in many areas of intralogistics. I'm thinking of the paperless office, for example, which is still a genuine challenge for many of us in our day-to-day work. At the same time, the paperless warehouse can already be implemented

without difficulty, and is meeting with widespread acceptance. The needs of the players are the determining factor. These needs, in turn, are derived directly from market requirements. Ultimately, digitalisation and system networking are not an end in themselves, or a case of following a trend. The key element is always the specific customer benefit, and that is the aspect we focus on here at Jungheinrich. Digitalisation and connectivity have been an everyday reality for us for some time now.

Where do you see Jungheinrich's strengths when it comes to digitalisation and connectivity?

We always look at the big picture. That applies to products as well as systems and processes. We do not leave customers alone with the planned solution, but ensure professional support throughout the entire lifecycle. Having both the hardware and the software in our portfolio proves a clear advantage in this regard. The expertise our

employees have built up also plays an important role. We deal quite specifically with our customers' processes, and engage in in-depth dialogue with them. By combining product know-how and targeted process expertise in this way, we can offer customers clear added value in terms of optimising their processes, along with associated digitalisation and connectivity services.

What role do the individual products play in implementing comprehensive systems?

When it comes to system implementation, the product initially takes a back seat. The most important thing is to represent, guide and control the processes. Making the best technology available will always be a basic prerequisite, whether for vehicles or for warehouse facilities. But in this case, comprehensive intralogistics skills are much more important when it comes to structuring comprehensive systems. This, in turn, is based on a clear understanding of the process, and thus on a

wealth of experience. And it's all the better if this is combined with an excellent product portfolio.

Jungheinrich has an extensive product portfolio. How is it used to develop connected solutions for the customer?

There are always two dimensions to connectivity. The horizontal dimension, across the entire intralogistics process from incoming goods to dispatch. This is where our Jungheinrich WMS, a powerful Warehouse Management System, controls the entire intralogistics process chain. Then there is the vertical dimension. The interface software, the Jungheinrich Logistics Interface, is very important in this regard. As a link between software and hardware, it plays a vital role in increasing the performance and process quality of individual sub-systems in intralogistics. All this is individually configured to suit customers' needs. We can even structure the user interfaces in accordance with their instructions. The benefits are

tangible: for example, when integrating Jungheinrich warehouseNAVIGATION, the narrow-aisle warehouse navigation system, when using Automated Guided Vehicles, or for the smart operation of a mobile racking system.

Many technologies often have a very short "half-life" because of constant and rapid software changes. How does Jungheinrich deal with this, and what can customers count on in this regard?

The architecture of the software underpins the longevity of our solution. The Jungheinrich WMS is not a static, solitary, insular solution. Rather, it is constantly being refined, which means it is always ready for release, and is always forwards-compatible. As a result, we have many customers who have not only used our software for a long time to control their intralogistics processes; they also use it proactively to structure the ongoing and sometimes huge changes in their intralogistics, or the transition from manual to partly or even fully automated systems.

Fuelled by innovations, intralogistics will continue to develop rapidly and the momentum is sure to grow. Digitalisation and connectivity are definitely drivers, along with the demand for greater performance with maximum flexibility.

Far from being confined to the future, digitalisation and connectivity have long been a reality in many areas of intralogistics.

Hermann Ammermann speaking with a customer.

Every warehouse has its own quality requirements and particular needs. How can digital intralogistics processes accommodate individual warehouse realities?

As I see it, warehouse realities are not such a major determining factor when it comes to digitalising them. Instead, the most important thing is to have the appropriate data and process quality in place at the customers' end, or at least a willingness to work on both these aspects. Our portfolio then allows us to advise the customers in accordance with their actual needs. And sometimes we even say "No", because we are not convinced we will be able to give the customer genuine added value in the end. That is mandated by our sense of responsibility in the area of sales. Sales success and customer satisfaction always go hand in hand as far as we are concerned.

What level of customisation is necessary for intralogistics these days?

It goes without saying that solutions must be structured individually for our customers. But that is not a goal in itself. The key element in all cases is that customisation create a specific benefit for our customers. The launch of a Warehouse Management System is

one example. There is already one benefit, since customers are compelled to analyse their existing processes. Whether the software then has to be further customised, or the customers' existing processes need to be scrutinised, will depend on the outcome of intensive dialogue between the customers and our software and intralogistics experts, who have acquired longstanding experience of these issues on many other customer projects and are well-versed in devising appropriate solutions.

Obtaining integrated, complex solutions from a single source sounds temptingly easy. But how dependent on a complete solution provider do companies become in the process?

Investment decisions are always about trust. And to a large extent, this will depend on the individuals involved. As a matter of principle, the comprehensive business model that Jungheinrich applies is always aimed at securing a benefit for the customer. This involves not only the planning and marketing of solutions, but also professional care from our customer support service throughout the product lifecycle. The dependence is always mutual, in any case. We strive to achieve lasting partnerships with our customers, and know that we have succeeded when

our customers achieve successes using our services.

Let us look to the future for a moment: where do you think intralogistics will be in 2028, and what role will system suppliers likely play for customers by then?

Innovation will continue to play a strong part in further refining intralogistics, and the industry will certainly have become even more dynamic. Digitalisation and connectivity will act as drivers every bit as much as the demand for high performance with maximum flexibility. Jungheinrich is already investing in the appropriate R&D. I firmly believe that powerful intralogistics solutions in the future will still include not only manual but also partly automated and fully automated elements. And so the players will need a partner like Jungheinrich, which has experience, the right solutions and skills in all of these areas.

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