

the orange way of finding logistics solutions

We supply precision.

*How to combine logistics for separate
company divisions and create new synergies
at the same time.*

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Leica Microsystems are global leaders in the manufacture of high-tech precision microscopes. In Heerbrugg, Switzerland, he developed operation microscopes (Surgical Division – SD) and stereo microscopes for use in schools, universities, laboratories, and industry (Industry Division – ID). Founded in 1849, the company is based in Wetzlar (Germany) and currently employs 4,000 people in more than 100 countries around the world. The logistics requirements of Leica Microsystems are in the capable hands of our Altenrhein (Switzerland) branch.



Integrated cross-company logistics

The background

The partnership between Leica Microsystems and Gebrüder Weiss dates back to 2001. Then in 2002, following an intensive development phase, Gebrüder Weiss assumed responsibility for managing all the procurement and distribution logistics for the ID at the newly established Leica Logistik Center in St Margrethen (Switzerland). The SD was serviced by a second logistics provider via Schaffhausen. In 2006, the customer decided on a new strategic direction, part of which involved combining the logistics for both divisions and working with just a single provider for the foreseeable future. The main challenge was presented by the fact that the two divisions had very different logistic structures: surgical microscopes make considerably greater demands of the whole supply chain than stereomicroscopes. The contract was awarded to Gebrüder Weiss, one of the main reasons being the proximity of GW Altenrhein to the customer's headquarters in Heerbrugg, though Leica's positive experiences to date of having had a highly competent logistics partner will certainly also have influenced their decision.

The solution

One essential prerequisite for the bundling together of the logistics processes was the relocation of the SD warehouse from Schaffhausen to St Margrethen, where the ID had already had warehousing facilities since 2002. In order to exploit synergies, but also to do justice to the different priorities of the two divisions, it was decided to operate two separate warehouse facilities within the same building.

An extra 1,200 m² of floor space were rented, and in April 2007, the transfer of all the highly sensitive equipment was effected without any interruption to business operations. Today, all the logistics for both divisions is handled by Gebrüder Weiss via the GW-operated Leica Logistik Center in St Margrethen. Much of the business for both divisions has since been successfully harmonised in an overarching system that has opened up new and profitable synergies for the customer. Thanks to the dedication and commitment of all concerned, it has proved possible to merge two operating environments into one. Gebrüder Weiss has since increased the number of staff allocated to Leica Microsystems from 8 to 15 and has organised a series of intensive product training courses and workshops. Integration into the Leica team has gone very smoothly with the people from Gebrüder Weiss feeling that they have been readily accepted by the customer as part of the Leica workforce.



Coverpage of the poster serial of the GW annual report 2007

The advantages for the customer

- > *From global procurement and distribution to storage of goods, from quality control to order picking and packaging, Gebrüder Weiss assumes full responsibility for every aspect of logistics and also provides innovative solutions in the area of IT.*
- > *When it comes to additional services, Gebrüder Weiss staff based at the Leica Logistik Center can also be called upon to assemble sets of components or to carry out software upgrades for electronic components in microscopes.*
- > *Following a highly successful test phase, the warehouse was redesigned in line with the Kanban system. This involves an ultra-flexible inventory management system by means of which stocks can be drastically reduced whilst at the same time significantly improving supply capacity.*

Lessons learned

An ongoing process

- > Even though the merger of operations for the two divisions is now complete, new challenges and scope for further optimisation are constantly cropping up. In order to ensure that things stay on track, there is a continual process of fine-tuning. There are monthly meetings between Leica Microsystems and Gebrüder Weiss with joint planning sessions and discussions of the way ahead.

Flexible resource planning

- > What has become clear is that, with a project of this magnitude and complexity, it is not possible to define in advance the costs in terms of personnel and time. Both parties need to allow leeway for unforeseen factors and developments.

Active communication

- > Leica Microsystems has no use for a partner who tries to cover up problems or who tries to solve them on their own. When difficulties arise, they expect immediate and honest communication.

Company structure as a factor in logistics

- > Since 2005, Leica Microsystems has been part of the American conglomerate Danaher. This take-over also involved new directions in company strategy and culture. Gebrüder Weiss has learned a clear lesson from this: effective logistics solutions are based not merely on accurate statistics and data but also on a clear understanding of all the structural factors involved.



15
2,552
3,500
111
100

Gebrüder Weiss employees are exclusively assigned to Leica Microsystems.

The storage space available at the *Leica Logistik Center* in St Margrethen amounts to 2,552 square metres.

consignments are despatched from here each month.

tonnes are packed and order-picked each month.

countries around the world are integrated into the Leica logistics solution.

