

World market leader for air and drive technology reduces logistics costs by 10 percent

CLIENT: ebm-papst St. Georgen GmbH & Co. KG
 INDUSTRY: Production
 PROJECT: Logistics



ERA Group optimises profit

The Result

ebm-papst St. Georgen GmbH & Co. KG is in the field of Electronic cooling for IT and telecommunications. In addition, the company is a development partner of many great automotive brands. The company generates almost 300 million euros in sales annually and has approximately 3,500 employees. Worldwide, the ebm-papst Group generates about 1.3 billion euros and employs 11,000 people at 17 production and 57 sales locations. For the St. Georgen site, Heinrich Erkens of Expense Reduction Analysts was commissioned to analyse and optimize logistics costs. Erkens drew the logistics experts Klaus Michael Plötz and Martin Kalatschek to the project.

So far, the company has spent about 2.1 million euros per year on the segments of national and international land transport, in-house transport and air freight. In order to find the best possible solution for the company, Expense Reduction Analysts analyzed the IST state and created a request catalog for the tender. Among other things, the points of time-critical delivery to customers in the automotive industry and well-established and reliable processes between the service providers and ebm-papst were important.

In addition to the call for tenders, Expense Reduction Analysts also developed process optimizations in the logistics processes at ebm-papst. For example, the nationwide procurement logistics handled via an IT-supported and SAP-based process were examined, re-tendered and partially bundled. In addition, Expense Reduction Analysts expanded existing local Milk Runs in southern Germany and optimised the permanent connection to three Hungarian plants via daily commutes. In addition, the bundling of services has improved the way in which the accounts are accounted for and savings in outgoing transport have been achieved. In addition, Expense Reduction Analysts played a key role in shaping the forwarding contract and thus created a price-safe basis for the coming years. Overall, ebm-papst reduced logistics costs by about 10 percent through the re-tendering and process optimizations.

Jürgen Martin, Head of Strategic Purchasing at ebm-papst St. Georgen, concluded: "Through our cooperation with Expense Reduction Analysts, we have been able to focus our resources on strategic purchasing aspects."



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JÜRGEN MARTIN, HEAD OF STRATEGIC PROCUREMENT
 EBM-PAPST ST. GEORGEN GMBH & CO. KG