



# RFID implementation for flat-packed apparel

Key learnings from a logistics service provider's perspective

Rome, 7<sup>th</sup> October 2014



# Agenda

1

**The FIEGE group**

2

Business Case: RFID implementation for GERRY WEBER

**A**

GERRY WEBER

**B**

Project timeline & targets

**C**

Material flow

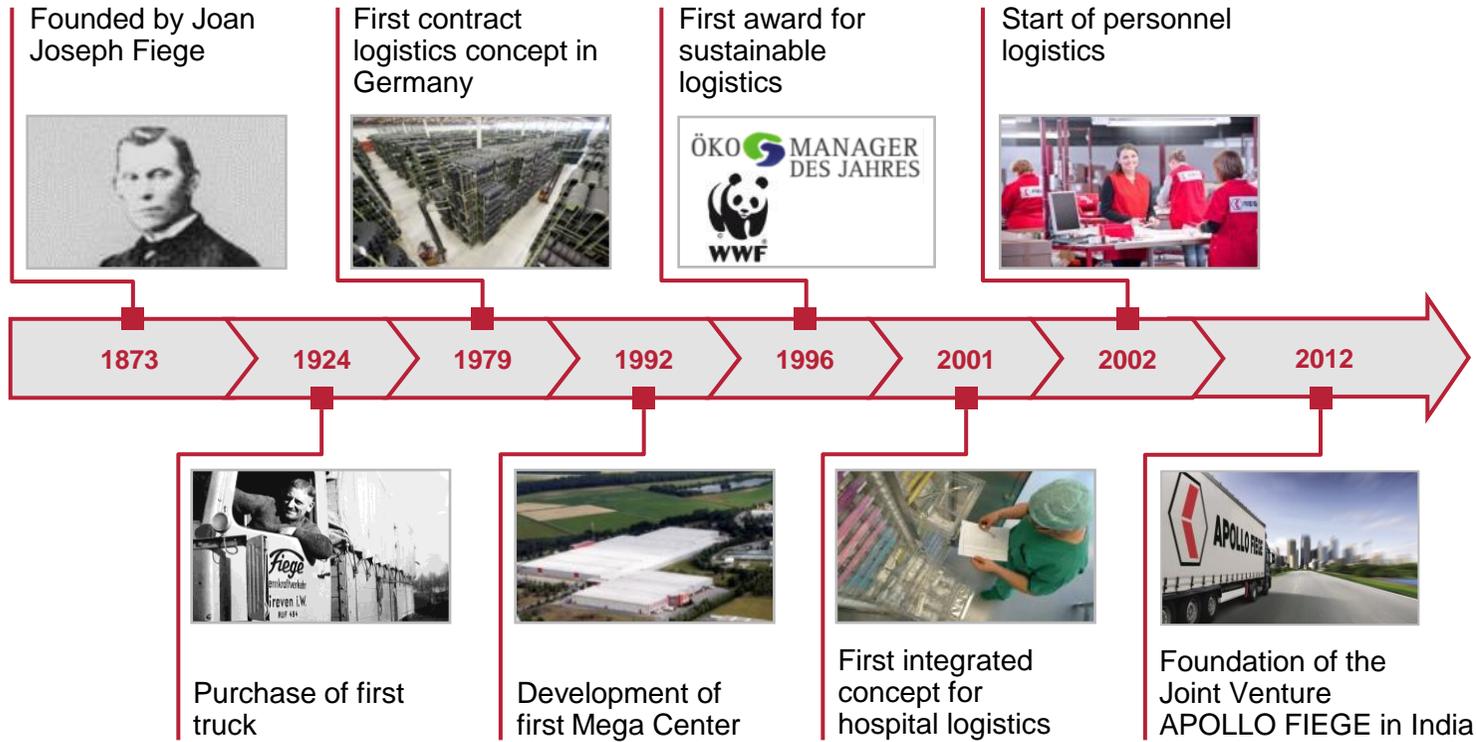
**D**

Lessons learned

**E**

Success factors

# Pioneering Spirit for 140 Years



## European, Fast, Entrepreneurial

- 200 locations
- 3 Mio. m<sup>2</sup> logistics area
- 11,000 employees
- € 1,5 bn. turnover
- Asia with China and India as an extension of the European market



# Our Sectors

## At Home in the World of Our Customers



Industrial logistics	Industrial	
	Tyres	
Consumer Goods logistics	FMCG	
	Retail	
	Electronics / High Tech	
	Fashion	
Dedicated logistics solutions	Healthcare	
	Media	

1

# FIEGE Fashion Logistics Operations in Europe and Asia



→ Fashion handling: 170 mio. pc. B2B p.a.  
70 mio. pc. B2C p.a.

Erfurt

**SportScheck**  
Wir machen Sport.

IC COMPANYS  
HOME OF FASHION BRANDS

Berlin

**S&T steilmann**

**KATAG**

Hamburg

**Jack Wolfskin**

Hannover

**Street One** **CECIL**

Ibbenbüren

LIEBESKIND Berlin

**DEICHMANN**

**ESPRIT**

GERRY WEBER

**snipes** **frontlineshop**  
*a selection of styles*

Münster

*Denim Deluxe*  
fashion group

**Laurèl** **NAKETANO**

Greven

**BP.**  
feel the difference

Mönchengladbach

**ESPRIT**

Worms

**felina**

Zurich

**DEICHMANN** **zalando**

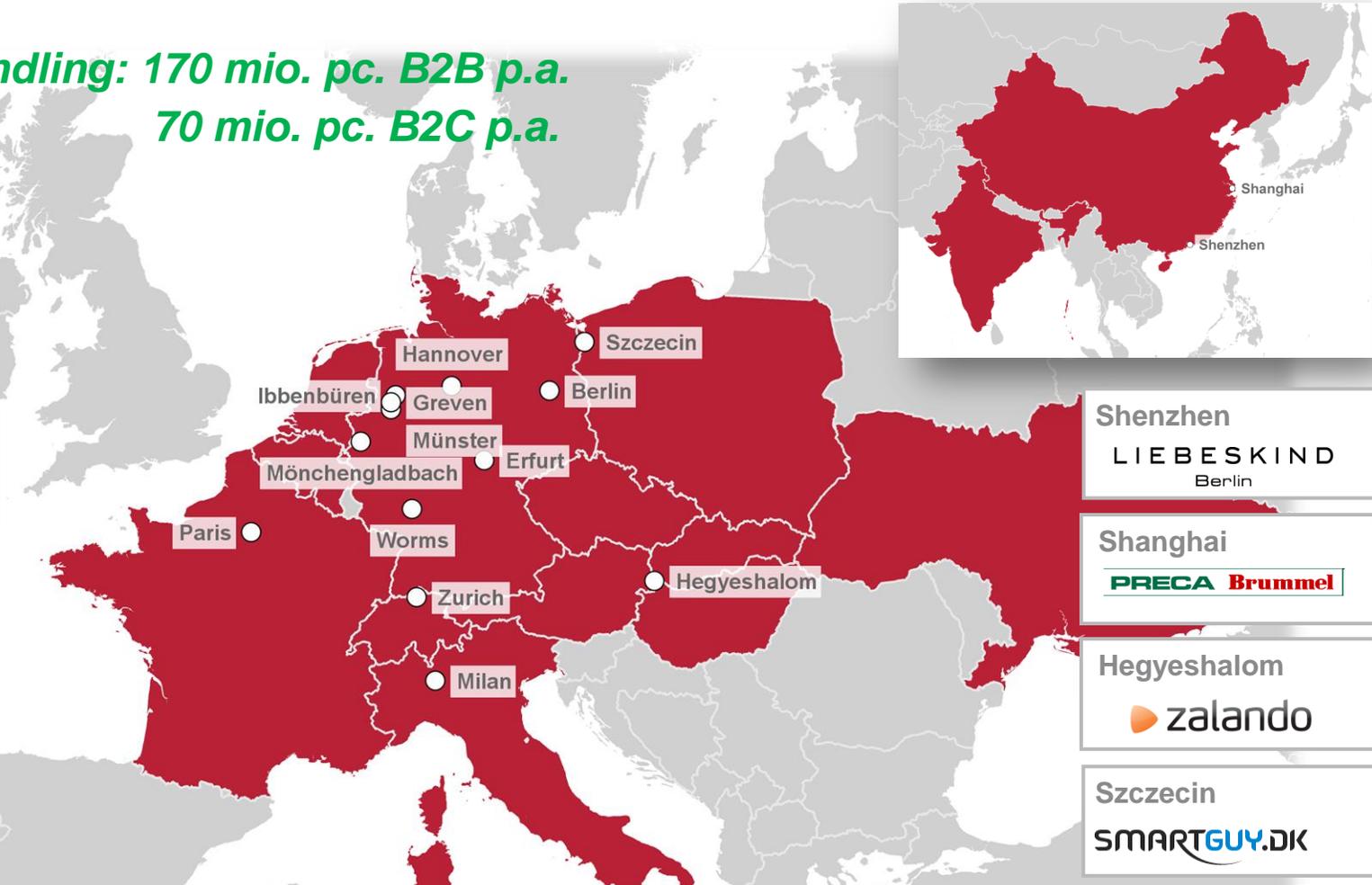
Paris

**zalando**

Milan

**PIAZZA ITALIA** **DEICHMANN**

**PRECA Brummel**



Shenzhen

LIEBESKIND Berlin

Shanghai

**PRECA Brummel**

Hegyeshalom

**zalando**

Szczecin

**SMARTGUY.DK**

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# Business Case: RFID implementation

## GERRY WEBER: facts and figures



- Founded 1973 in Halle in Westphalia, Germany by Gerhard Weber and Udo Hardieck
- The Brand GERRY WEBER was created in 1986
- The company went public in 1989
- Start of the sponsorship of the international tennis tournament GERRY WEBER OPEN in 1993
- Launch of the GERRY WEBER Onlineshop in 2005
- Implementation of RFID in 2010 / 2011



Employees: over 5.000

Worldwide presence: 62 countries

Turnover: ~ 900 mio. €

# Business Case: RFID implementation

## GERRY WEBER: logistical handling at FIEGE



Logistical processing of the preorder business for the brands GERRY WEBER Edition and Taifun

**GERRY WEBER**  
EDITION

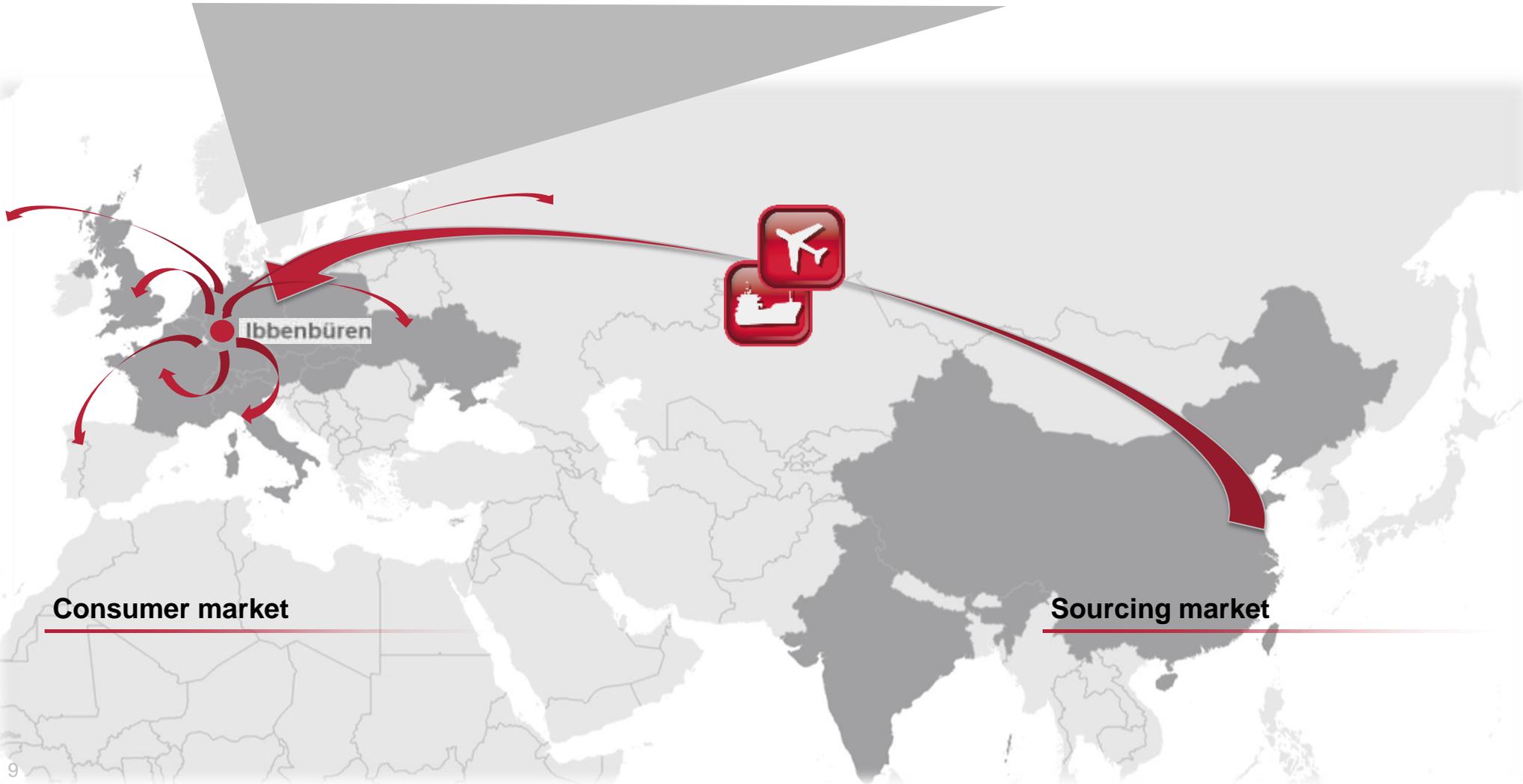
**TAIFUN**

**KPI:**

Warehouse and logistics area:	~ 17.000 m <sup>2</sup>
Inbound & outbound volume:	~ 10 mio. pcs p.a.
Ø order structure:	41 pcs / order
Articles / delivery date:	~ 7.500 SKU (Edition) ~ 400 SKU (Taifun)
Employees:	~ 90 FTE



### *Focus on intralogistical processes*

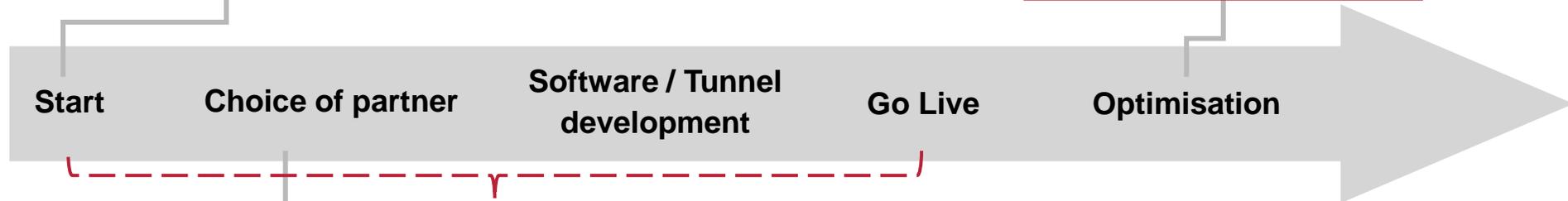


### *Ambitious project timeline until sharp switch to EPC/RFID*



- Initiative coming from GERRY WEBER
- Joint workshop
- offer and confirmation for project

- Software for
  - Evaluation
  - “Clarifying” process
  - Packing
- Material flow
- Technology



**4 months**

**June 2011**

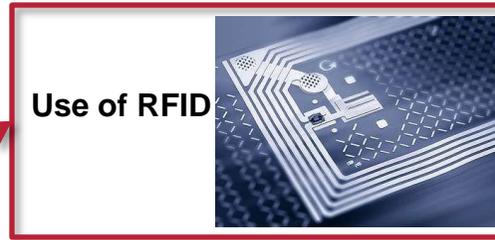
- Centiveo (RFID) and SIC (WMS)
- Synchronised tunnel and software
- Important: collaboration on 1 data base → no interface!

### *3 main project goals*



# Business Case: RFID implementation

## Material flow



### *Overload at clarifying working stations*



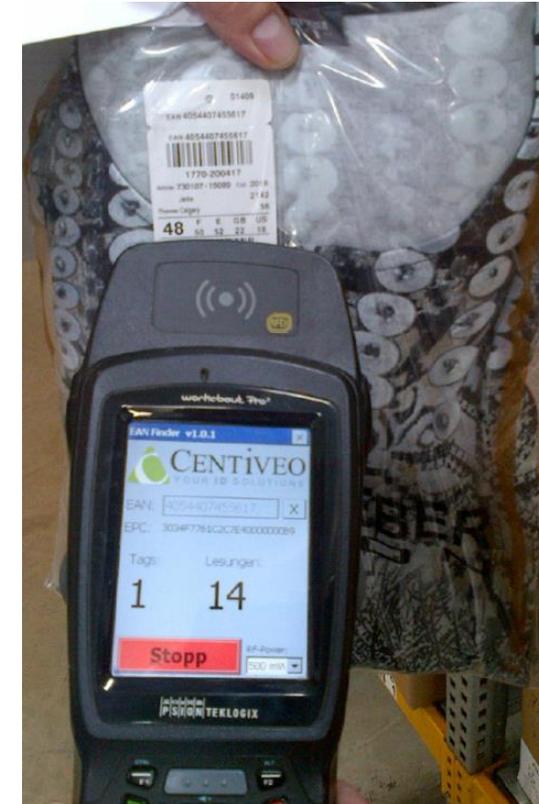
- too many articles inside
- Weak or damaged transponder
- Wrong or missing preadvised data



- *1,25% of the articles had „errors“...*
- *...but 21 % of the cartons were sorted out*
- *No standardized checks in the country of origin*



### Media disruption



➔ Differing information on paper labels

### Measures from the logistical part to overcome the obstacles

1

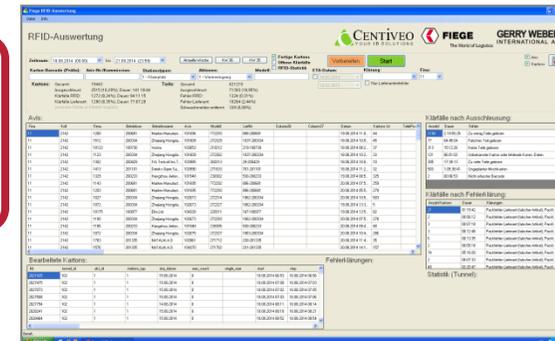
**Installation of ECP/RFID tunnel at the supplier**

2

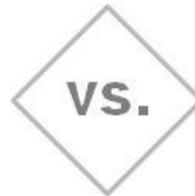
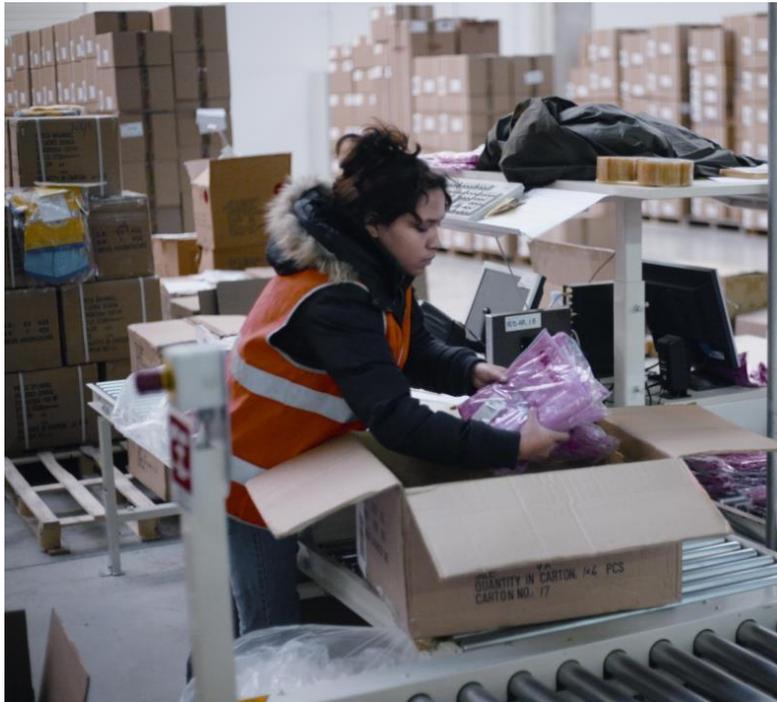
**Use of ECP/RFID table antennas instead of ECP/RFID tunnel at outbound**

3

**Development of software for analyzing error sources → transparency**



### *One example of productivity increase*

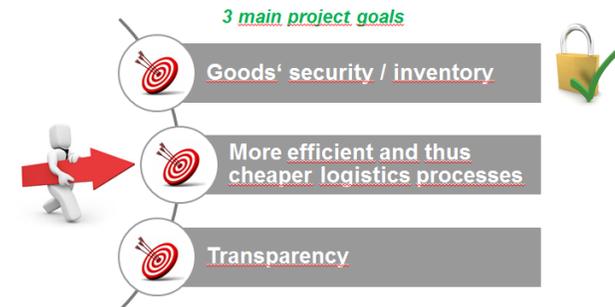


**➔ Sixfold accelerated inbound**

### ✓ *Project goals reached after implemented improvements*



- ✓ Current generation of tags / transponder work well
- ✓ Less than 0,5 % of cartons are sorted out
- ✓ Inventory management and internal track & trace based on SGTIN identification
- ✓ Systembased tracing of error sources



- 1 A painful start**
- 2 RFID within our warehousing processes is a success story**
- 3 But it needs to be implemented along the whole chain with jointly agreed GS1 standards**



**Strong Partnership**



**Willingness to invest**



**100% willingness**



**Ability to suffer**



**„ Every journey starts with a first step“**

(Lao Tse)



# Q & A / Discussion



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