

»arvato systems fulfilled our desire to increase the intelligence of our warehouse systems using existing structures without the need for any new construction.«

Lutz Michaelsen  
Project manager, Parador GmbH & Co. KG



**PARADOR**  
luxury flooring concepts

## Warehouse management with SAP

### Customer

- Parador is a leading manufacturer of laminate flooring, paneling, as well as engineered and solid wood flooring. In 2007, Parador employed 675 people and generated EUR 177 million in sales. The company, which is part of the Hüls Group, achieved an export quota of 47%. Aside from its headquarters in Coesfeld, Germany, the company has two further German sites in Stadtlohn and Billerbeck.

#### TECHNOLOGY PLATFORM

- Centralized SAP ERP ECC 6.0 with the modules FI, MM, SD, PP
- Decentralized WM 4.7 Extension Set 2.0 for WM and TRM

**Initial situation** Parador's goal is to grow in the coming years in accordance with positive market trends. Having been on the market for over 30 years, the company continues to innovate, which has earned it the role of a market leader. The company is well placed here, not only as a result of its new products, but also because of its willingness to respond to specific customer requests. This was what led Parador to structure its logistics processes in a way that allowed it to continue growing.

**Vision** The increasing number of orders led the company's production operations to grow at a rapid rate and to take over part of what was originally warehouse space. The level of mechanization in the warehouse was no longer capable of meeting current standards. Stocks were listed in Excel and the warehouses were managed by employees whose knowledge had not been documented.

Half of customer consignments were sent on consolidated pallets and were sometimes loaded into cartons item by item. The packaging protected goods from dust and dirt but not from being damaged. This requires a particular level of care during distribution. For this reason, goods were usually sent directly to retailers by means of a routing system.

Parador decided to launch a project entitled 'Lapasa.' 'Lapasa' stands for 'Lagerverwaltung Parador mit SAP', or 'Parador warehouse management with SAP.' Being very well placed in IT itself, Parador chose arvato systems as its partner for the implementation of the project thanks to the latter's extensive expertise in IT and logistics.

»The way the warehouses are structured means that we now have faster access and can avoid the risk of goods being damaged. It has significantly improved the efficiency of our warehouses.«

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Project manager, Parador GmbH & Co. KG

**Solution** With instructions to 'keep it simple,' all frequently used applications were to be restructured in a more user-friendly manner. An interdisciplinary team was assembled, composed of employees from the warehouse as well as IT experts and consultants from arvato systems. The close involvement of the main users ensured a high degree of acceptance of the new system. At the same time, the project was divided into five phases, with an emphasis on delivery to the customer as the core process throughout all phases.

The warehouses were structured in a way that simplified access and reduced access times. Prepicking started earlier, which eliminated, for example, the bottleneck in the loading bay. Overall, the transparency of picking processes increased and the company was no longer dependent on schedules.

A central component of the project was the development and setting up of a control center. Warehouse managers can oversee and control all logistics process on two 'monitors.' Problems can be identified and resolved at an early stage. Using TRM (task and resource management), a forklift guidance system was connected, which automatically assigns forklift drivers their tasks but also allows users to intervene manually where necessary.

**Customer benefits** arvato systems was able to meet the company's sophisticated requirements within the shortest of time frames and pave the way for the company's growth. A decisive factor for the success of the project was the close interaction between the customer and consultant teams, as well as the complex expertise and the longstanding experience of the IT provider.

Any questions? Please contact us.

#### Your Contact

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## An Overview of the Case

### INDUSTRY

- Flooring

### PROJECT

- Launch warehouse management with SAP WM
- Implement TRM to use as a forklift guidance system with automatic task assignment
- Develop centralized, process-oriented RF transactions
- Develop management and monitoring tools for shift control and upstream processes
  - Visualize technical picking processes and their dependencies
  - Synchronize dispatch process
  - Automatic replenishment management

### BENEFITS

- Optimized workflow
- Accelerated order processing
- Faster throughput
- High degree of acceptance of the system among employees
- Reduced costs