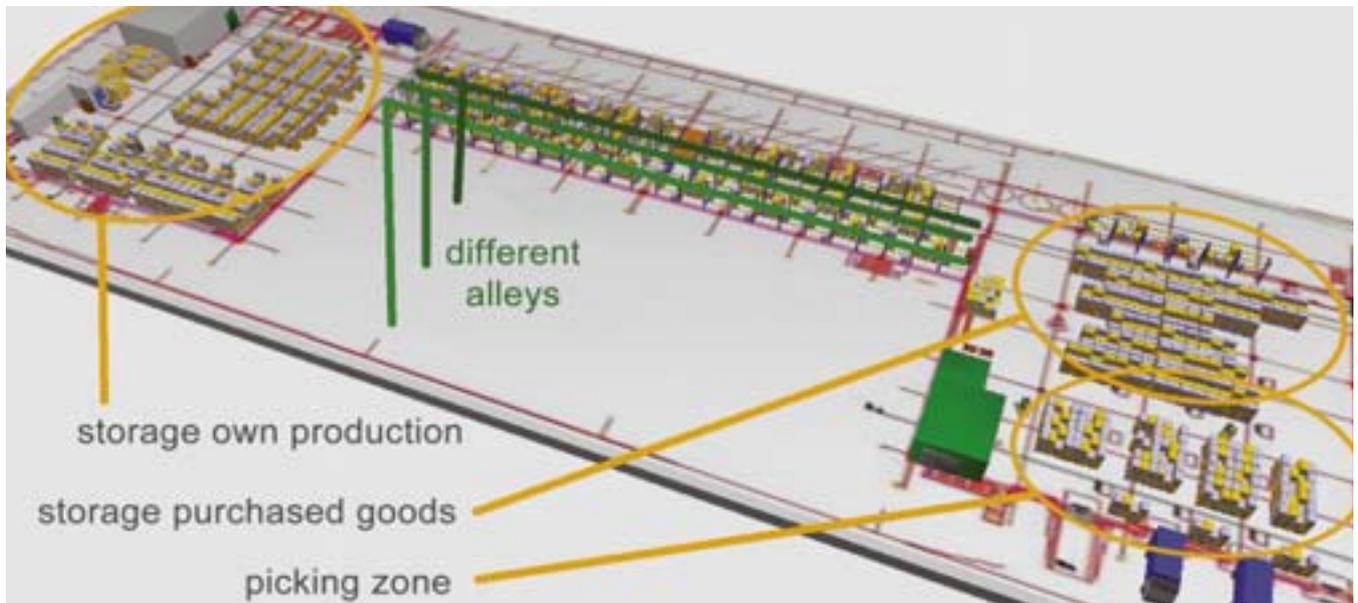


# Order picking in a Swiss bakery

COMPREHENSIVE TRACEABILITY AND MDC PICKING WITH THE CSB-SYSTEM WERE REALIZED AT HUG



**+** The family business HUG, which was founded in 1878, is located in Malters/Luzern (Switzerland) and produces and distributes bakery products of various convenience levels. HUG is the leading vendor of bread-like bakery products, typical Swiss Guetzli, ready-to-garnish bakery products, hors d'oeuvres and frozen snacks in Switzerland, Europe, and the US.

In Malters and at the second plant in Willisau, 248 employees produce about 4,770 tons of baked goods each year and generate a revenue of about 50.7 million euros (66.4 million dollars). Its principal customers come from the wholesale and restaurant sector and its product range contains about 800 sales items.

HUG currently has 56 workstations running the CSB-System modules Sales, Procurement, Inventory, Production, Mobile Data Capture (MDC), and Traceability. The entire goods shipping department was converted and equipped with MDC picking. Picking is done both item and customer based. Installing the MDC module also enabled the economic implementation of product traceability. In just five months,

the traceability and MDC projects had both been realized. Also, the user guidance of the MDC devices (hand-helds) is very user friendly. After a ten-minute introduction, the users were able to handle the device without any problems.

## Support of traceability

The bakery specialist also implemented the ERP industry-specific solution CSB-System for the realization of transparent proof of origin in compliance with Reg (EC) No 178/2002. On 26 November 2004, HUG AG received the Higher Level BRC certification (British Retail Consortium) for production security and has been ISO 9001 certified since 1994.

Benefits provided by the traceability solution within the CSB-System:

- +** Exact risk limitation through detailed documentation of which batch went to which customer (allowing for silent recalls)
- +** Controlled delivery quality (integration of suppliers into the value-added chain)
- +** Transparent batch management for increased process and product safety

**+** Integrated visualization without the need for additional staffing throughout materials resource planning process, from goods receiving through inventory, production, packaging, picking, up to dispatch including shipping documents

## MDC picking

Using state-of-the-art RF data capture systems, HUG achieves the best possible information processing scenario right at the heart of operations. This is significantly more effective than e.g. paper forms and the resulting double processing. Next to the traditional printout, all data becomes available online and in real-time for processing and evaluation. In addition, all legal and trade-specific requirements are taken into account. The picking area of the Swiss bakery specialist has more than 3000 pallet storage locations, all of which are integrated and controlled within the CSB-System.

Benefits provided by the MDC solution within the CSB-System:

- +** Optimization of business processes
- +** Electronic evaluation of captured data

- + Automation of similar business processes
- + Acceleration of data capture with barcode scanners

### Mobile solutions put into practice

At HUG, raw material orders are placed on the basis of order suggestions from production. Most orders are executed via contracts. These contracts, or calls, are recorded directly in the CSB-System. Incoming raw materials are transferred to raw materials storage or directly into production. IT-aided traceability of self-produced items starts at production exit. Here, every pallet is identified as a partial batch and is supplied with a pallet label (EAN 128). After production exit, the goods are packaged, labeled, and transported to finished goods warehouses and picking areas.

HUG also picks and distributes third-party products and other brands (cross docking). These products are directly labeled at goods receiving to ensure uniform pallet labeling. That way, individual batch numbers can be traced. Every item to be picked has its own storage position. Actual picking is performed in a route-related manner. This means that the orders recorded in the system are released for picking by route. HUG's motto is: Ordered today, delivered tomorrow!

Usually, HUG performs picking in an order-related manner. Only the shipment of small quantities is done item-based. During item picking, the item quantity is displayed on the picker's MDC device to show how much has already been processed and how much more still needs to be picked.

With MDC picking, HUG fully complies with the traceability requirements defined by EU Reg. 178/2002. The EAN128 barcode type is always used in pallet labeling. This barcode encompasses the data descriptor 10 (in addition to the data descriptor 01), representing the lot number as basis for traceability. During picking, the MDC scanners automatically record the lot number with the individual line items. The implementation of scanner-aided picking has upheld the high level of requirements placed on batch traceability and batch inventories without additional staff.

"With the CSB-System, we were able to implement high traceability standards in line with EU REG 178/2002 throughout all product management processes (without manual entries) and without additional staff. Organizational measures within the sales structure can be realized quickly and without delay within a few days", says Thomas Gisler, member of the executive management board, who sees this as an essential benefit of the ERP industry-specific solution CSB-System. "CSB consultants implement support measures with competence and purpose. The MDC picking project was realized in no time thanks to the excellent teamwork and onsite support", remarks Gisler on the implementation process. +++

# VULGANUS

S P I R A L S

## Clearly the best choice

### ARCTICLINE

- for rapid cooling or freezing
- up to 14 days of continuous production

### TROPICLINE

- for controlled proofing
- revolutionary humidifying technology

### CLEANLINE

- for clean air cooling with extreme hygiene
- extremely long shelf life for products without preservatives

### SOFTLINE

- for natural cooling
- cost-effective, space-saving solution

### STERILINE

- for improved hygiene
- reliable washing results throughout the spiral system