



Pharmaceutical Giant AstraZeneca to Modernize Central Warehouse

Terminal Solutions from DLoG GmbH Achieve International Success:

With sales almost US\$ 24 billion (2005), AstraZeneca is one of the world's leading pharmaceutical companies. In the highly competitive market for tablets, vials and sprays, fast and accurate warehouse logistics are often crucial factors for success. By implementing DLoG's MPC 5 terminals, all forklifts and picking vehicles at AstraZeneca's Central Warehouse in Södertälje, south of Stockholm, Sweden, are now connected online to the job and inventory control system. Planning is already underway to roll out this solution to Sweden Operations Manufacturing sites.

AstraZeneca Sweden Operation manufactures a staggering 10 billion tablets a year and is thus the world's leading tablet manufacturing site. In addition, they also supply medication in the form of vials or sprays. The company currently employs close to 60,000 people across the world. Each year, the products manufactured by the 5,500 employees, at the Södertälje site, are sending on about 100,000 pallets to recipients throughout the world.

After expanding its Central warehouse, AstraZeneca Sweden Operations quickly realized that its picking vehicles needed a modern hardware solution to replace the outdated terminal hardware. These units were based on low-power radio standards and were not compatible with modern Windows operating systems—thus they were no longer able to fulfill AstraZeneca's growing demands for operability, integration and data transfer speeds.

In november 2003, project manager Bo Akerberg requested information from different manufacturers on their products—including the Swedish distributor for the terminal specialists DLoG GmbH based near Munich, Germany. To screen the offers, Bo Akerberg's team set out a clearly defined requirements specification: "Our in-house logistics software should run on the system without any significant modifications. We wanted to have the same user interface for the warehouse and for our office workstations so that we can keep development and training costs to a minimum. We also placed a high value on modularity and upgradeability as well as on the ease of cleaning the terminals and operating elements," explains Bo Akerberg.

Rapid adjustment to customer requirements

Although AstraZeneca's requirements sound almost trivial, they were not so easy to put into practice. DLoG had no problems in furnishing

Feature overview

Customer:

- AstraZeneca is one of the world's leading pharmaceutical companies.

Requirements:

- Radio data transmission terminals with touch screen and interface for logistics Software
- Mobile handcars
- Scanners
- All components connected via radio

Products used:

- DLoG MPC 5/110 and/112
- Mobile handcart (with power supply)

Benefits:

- Eliminates search times and repeated data entry
- Seamless batch-tracing
- Real-time logging of goods movements for genuine transparency in warehouse

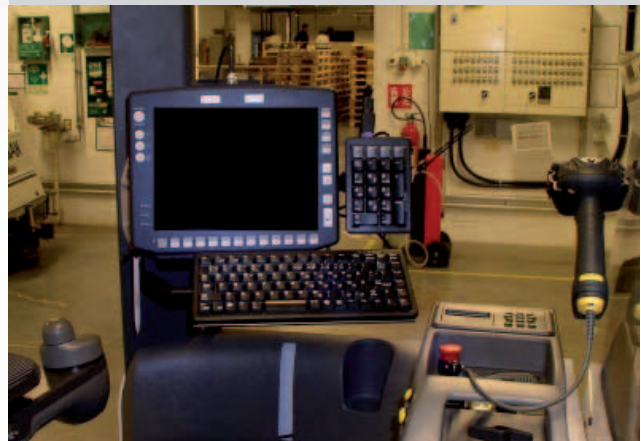
the terminals with industrial hard drives or memory media with more than 5 GB storage capability for the AstraZeneca software and Windows 2000 operating system. Yet they were initially not able to fulfill the requirement for an uninterruptible power supply for the forklift terminals. "We simply did not have that feature. But as a flexible medium-sized company with our own competent hardware and software development team, we saw this as an opportunity to surpass our competitors. Together with our Swedish branch DLoG Norden, we started a new development project," explains Manfred Lachauer, Foreign Marketing Manager for DLoG GmbH. And this was the right decision, as Bo Akerberg attests: "This entrepreneurial engagement for a customer really convinced us. DLoG showed us that they would go beyond providing us with standard catalogue products and that they would even assume financial risks to develop the solution we required." The two companies also agreed to replace the implemented hard disks on the terminals with more robust CompactFlash cards as soon as they become available with sufficient memory capacity. Whether or not this becomes necessary is yet to be seen: Until now, not a single hard disk with the special suspension system has failed under the harsh warehouse conditions they have been exposed to.

Bo Akerberg has another tip for his industry colleagues: Visit the manufacturers. After all, a manufacturer with a large catalogue and impressive Internet presence may disguise what is in reality a very small company. In important logistics projects, this represents an intolerable risk, especially for global players such as AstraZeneca who, in striving to roll out a project internationally, requires an extensive service infrastructure and long-term support. In this respect, AstraZeneca was convinced by the many years of capable service and support that they had received for the DLoG ADC/MDC terminals they had been using in production.

The mirror trick

By developing a successful UPS solution and ensuring international service support, the joint efforts of the German DLoG GmbH team and their Swedish partners at DLoG Norden won over AstraZeneca. "Many solution providers have not yet understood that the winning factor is not always having the product with the most features or the lowest price. It is essential that a provider can justify the trust that a customer places in them—starting with being able to meet deadlines and fulfill promises as early as the bidding phase," says Bo Akerberg about his experiences. For example, DLoG was able to impress its customer early on with a very simple idea: At AstraZeneca, warehouse pallets are loaded and unloaded from the front but, for other reasons, the barcodes are attached to the sides. To save forklift operators from unnecessary movement or having to step off of their vehicles, they can now read the barcodes on their scanners using an auxiliary mirror. A simple yet brilliant idea from Kent Alenbrand's team at DLoG Norden in Sweden that will save AstraZeneca much time and effort. Overall, DLoG placed a high value on ergonomics such as during consideration of where to position and fasten the terminals to the various types of forklifts.

Since December 2004 the AstraZeneca warehouse logistics in Södertälje have completely switched over to using DLoG MPC 5 terminals with 10" and 12" displays, keyboards and barcode scanners. The data is transferred across a Cisco WLAN network with a total of eight access points in the handling area and cold storage area. Because of the legal traceability requirements for pharmaceutical products, each pallet movement is recorded precisely. The forklift operators use the same AstraZeneca software and user interface as their colleagues in the office, a reason why employee training for the new system required just a single day. "We are convinced that, in the terminals and service infrastructure provided by DLoG, we have moved to a future-oriented platform. The fast and reliable data transfer to and from the forklifts is increasing our efficiency," explains Bo Akerberg. Consequently, planning is underway to roll out the new system at other plants.



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