

PRESS RELEASE

A commitment to Europe — **Expansion of the Würth Industrie Service logistics centre**

Bad Mergentheim/Main-Tauber district, Germany. On 21 July 2016, the Germany ground work began in advance of construction of the most modern logistics $_{T+49}$ (0) $_{7931}$ $_{91-1153}$ centre for industrial supply in Europe at Würth Industrie Service GmbH & Co. F+49 (0) 7931 91-1153 KG. This moment was marked with an official ground-breaking ceremony Stephanie.Kozany@wuerthfeaturing 30 invited guests, including Mayor Udo Glatthaar, member of the industrie.com German parliament Margaret Horb, the planners and engineers involved, as 21/07/2016 well as Würth Industrie Service management.

Würth Industrie Service GmbH & Co KG Stephanie Kozany Press and Public Relations 97980 Bad Mergentheim

www.wuerth-industrie.com

"The start of these construction works forms the foundation for further growth of Würth Industrie Service. As a leading industrial partner in C-parts, we have to ensure that out of 1,000,000 products, the correct C-Part is always in the right place at the right time for our customers' production and maintenance tasks", said Rainer Bürkert, Executive Vice President of the Würth Group. "And not just in Germany, but across the whole of Europe."

A commitment to Europe

An essential element of the Würth Industrie Service business strategy is supplying all customers in Europe directly through one central logistics point a clear symbol for Europe. This strategy enables customers to consolidate their suppliers as far as possible. This reduces the flow of goods by pooling C-Parts from one source and avoids freight-intensive small deliveries.

The expansion of the logistics centre is not just a good sign for the company's site in Bad Mergentheim, but a clear commitment from Würth Industrie Service to Europe. In total, customers in more than 20,000 locations across more than 25 countries receive their production equipment and operating supplies with utmost reliability precisely where needed. Last year, more than 79,000 tonnes of goods and over 4.2 million individual items left the logistics centre. Customers from up to 2200 kilometres away have their C-Part needs fulfilled directly from Bad Mergentheim. This enables us to implement pan-European service quality, sustainable investments in process technology, long-term logistics concepts and the qualification of specialist personnel. In addition to logistics, other functions such as purchasing are mapped centrally and a comprehensive, unified IT landscape as well as unified C-Parts systems are created for customers.



Customer benefits

C-Part management is successful when procurement processes and intralogistics on the customer side are not just reliably mapped and optimised, but are also inter-connected. To that effect, the goal of a central logistics operation is to simplify processes and utilise synergies in order to offer a quick, seamless flow of information, a consistently high quality standard for products plus networked system solutions on a European level. This frees up capacity for core operations and reduces process costs as well as complexity in customers' factories, leading to higher productivity.

Networked, co-ordinated logistics processes and intelligent systems solutions in C-Part management will set the course for the fourth industrial revolution — one of the most pressing questions in the manufacturing industry. Therefore, from the perspective of Würth Industrie Service, the focus on Europe represents a key element in reducing process complexity, sustainably closing demographic gaps in employee recruitment and mastering the challenges of digitalisation together.

The expansion at a glance

The total investment for the expansion of the Würth Industrie Service logistics centre in Bad Mergentheim is around 13.5 million euros. The new high-rack warehouse will be connected directly to the existing building complex and at a height of 45 metres, width of 25 metres and length of 120 metres, it is certainly an impressive structure. It will serve as pallet storage for production material (C-Parts), which are used in the manufacturing industry as part of a Kanban system. The project is modular in construction and comprises five aisles with automated rack systems for fully automatic storage and retrieval of items, which offers an increase in capacity of more than 40,000 pallet spaces, giving a total of over half a million storage spaces. In the conception and planning stages, particular attention was paid to efficiency and flexibility, to maximum security of supply and to future expansion: owned, redundant conveyor systems, transponder technology, camera inspection systems and cutting-edge technologies. These also mean that staff need not move heavy material by hand, and can concentrate instead on controlling and supervising the system – an important part of health management within Würth Industrie Service.

Udo Glatthaar, Mayor of the town of Bad Mergentheim, particularly thanked the firm for its renewed commitment to its site in the town and looks forward to further growth — also in terms of construction. He also spoke particularly highly



of the strong European and international focus of Würth Industrie Service and the opportunities that this provides for the region.

Margaret Horb, member of the German parliament representing the Christian Democratic Union, praised Europe's most modern logistics centre for industrial supply for its use of innovative technologies and particularly emphasised the opportunities for the Industriepark Würth to develop jobs and education in Bad Mergentheim and the surrounding area.

Erich Karlis described the technical circumstances, and in doing so portrayed the collaboration with regional construction firms, planners, the town and the Würth Industrie Service as very effective.

"This ground-breaking ceremony shows an investment in providing value to the customer as well as further customer development in Europe, and therefore in the future of Würth Industrie Service. The course for unlocking new markets and potential in Europe has been set," concludes Bürkert.

The new building complex is set to begin operating in April 2017.

Image material:



Image 1: Spatenstich zur Erweiterung des Logistikzentrums.jpg

Image caption 1: A commitment to Europe – official ground-breaking ceremony for the expansion of the logistics centre at Würth Industrie Service GmbH & Co. KG

From left to right: Benjamin Etzl, Leonhard Weiss; Maik Engert, Fleet and Building Services Manager for Würth Industrie Service; Erich Kalis, Manager and Architect at Kalis Innovation GmbH; Margaret Horb, Member of the German parliament (CDU); Rainer



Bürkert, Executive Vice President of the Würth Group; Udo Glatthaar, Mayor of Bad Mergentheim; Paul Krämer, Project Manager at Adolf Würth GmbH & Co. KG; Eckhart Rist, Ed. Züblin AG; Ralf Lagerbauer, Deputy Executive Vice President of the Würth Group



Image 2: Logistikzentrum.jpg

Image caption 2: Innovative technologies for supplying customers across the European market – the most modern logistics centre in Europe at Würth Industrie Service

Profile: Würth Industrie Service GmbH & Co. KG

Würth Industrie Service GmbH & Co. KG is responsible for industrial supply within the Würth Group. Since it was established in 1999, Würth Industrie Service has been located at the Industriepark Würth in Bad Mergentheim and employs more than 1380 people.

The business presents itself to its customers as a complete supplier of C-Parts, with a specialised product range of over 1,000,000 items from screws and fastening technology through to tools, chemical products and personal protective equipment.

In addition to a comprehensive standard range, our strength lies in customised logistical, procurement and service concepts, as well as specialised parts. Under the brand of "CPS® - C-Parts Solutions", the company offers modular solutions to perfectly fit customers' requirements. Usage-based and requirements-based systems therefore significantly rationalise the processes of purchasing, logistics and quality assurance, enabling the customer to acquire small parts in a cost-effective manner. Logistical and procurement services such as scanner-supported rack systems or just-in-time supply using Kanban bin systems make a big contribution to an increase in productivity.