

CASE STUDY

INDUSTRY Pharmaceutical

CHALLENGE Streamlining goods receiving, put-away, replenishment and picking processes

SOLUTION ZetesMedea voice solution, direct integration with SAP

BENEFITS

- Optimised procedures
- Increased productivity
- Improved operator satisfaction
- Reduced error rate
- Improved planning



ABOUT MERCK

Merck is a global pharmaceutical and chemical enterprise with around 40,000 employees in 64 countries. The company has been active in Portugal since 1934. It now has a workforce of approximately 160, operating in the chemicals and pharmaceuticals sector, the latter being the most representative on the Portuguese market. In 2009, Merck had a turnover in Portugal of more than 70 M€.

MERCK MAKES ITS VOICE HEARD IN THE WAREHOUSE

The Merck warehouse carries out a monthly average of approximately 9,000 warehousing operations with a total of 30,000 lines. Four types of merchandise come into the



warehouse: goods from the Merck Group (other Merck distribution centres or laboratories), goods from partners whose stock it manages, promotional material, and products requiring refrigeration.

The logistic challenge

The goods used to be moved in the warehouse using stacker fixed terminals and portable terminals, with barcode reading. These procedures turned out to be very time-consuming, as the operators had their hands full with the equipment and had to concentrate on the terminal screens and the keyboards.

Luis Azevedo, Merck's IT Manager: "Constant use of the barcode reader slowed down the picking process. On top of that, goods quite often reached our warehouse without their barcodes, which meant that we had to make up the respective labels for both the palettes and the gang boxes. Our equipment was already obsolete and needed maintenance, and did not comply with Merck's requirements in terms of systems safety."

Merck decided to improve its warehousing procedures by implementing the voice solution, as this technology is optimised for warehousing operations.

Optimised processes with voice

For the implementation of the voice solution, Merck called upon Zetes Portugal, which specialises in implementing voice systems and already has a proven reputation on the national and international market. "We had already worked with Zetes Portugal in the past, and we were aware that they implemented voice solutions. At a site visit of a Zetes reference client we saw for ourselves the advantages of adopting this technology", adds Merck's IT Manager.

Zetes implemented its voice solution, and integrated it with the SAP WM module of Merck. The voice solution is now optimising four warehousing procedures:

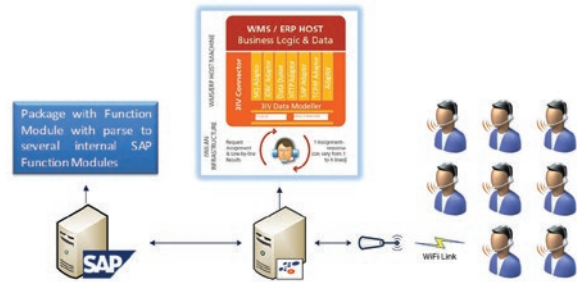
- Goods receiving
- Put-away
- Replenishing
- Picking

8 operators are now equipped with mobile voice terminals and headsets, via which they receive and confirm their orders in real-time. As a result, the operators are now able to carry out the same number of warehousing operations faster, and with greater ease and accuracy.



“Constant use of the barcode reader slowed down the picking process. With the implementation of voice technology, Merck has realised some important benefits: we have optimised the procedures, increased productivity, improved operator satisfaction, reduced the error rate, and improved planning.”

Luis Azevedo, IT Manager



ZETES INDUSTRIES (Euronext Brussels: ZTS) is a leading pan-European company in the value-added solutions and services industry for Automatic Identification of Goods and People. The Zetes group has its headquarters in Brussels, with subsidiaries in Belgium, Côte d'Ivoire, Denmark, Germany, Greece, France, Ireland, Israel, Italy, the Netherlands, Portugal, Spain, Switzerland and the UK. Zetes currently employs more than 900 employees and generated consolidated revenues of €216.7 million in 2010.