

Case Study:

Würth transforms supplier labeling with NiceLabel

Würth uses NiceLabel to create a standardized supplier labeling process.





Background

The Würth Group is the global market leader in its core business – the sale of fastening and assembly materials. It currently consists of more than 400 companies in over 80 countries with over 77,000 employees on its payroll. In 1994, the Group created Würth IT, a global IT service provider supporting all 400+ companies in 80 countries. Würth IT's goal is to invest in modern systems and innovative solutions that can help digitize the Group's processes. To achieve this goal, Würth IT has introduced Würth System One (WS1), an enterprise resource planning system based on SAP. WS1 forms the foundation for Würth Group's enterprise management, and includes interfaces to a number of support systems within logistics and production, including labeling. In time, the entire Group will use this system.

Industry: Manufacturing

Solution: Software NiceLabel LMS

Challenges

- Inefficient supplier labeling process
- Homegrown labeling system made IT support a challenge
- Label errors led to product relabeling and shipping delays

Solution

- Software NiceLabel Label Management System
- Web printing and Software NiceLabel Cloud for supplier labeling
- Full SAP integration
- WS1-ready labeling system

Results

- 180 suppliers in 15 countries now using the NiceLabel system
- Full transparency into supplier labeling
- Centralized user management and record-keeping provides a clear overview
- Increased agility through faster label changes
- Faster onboarding of new suppliers

Challenges

“Every time we had an update to the software, we had to send new CDs with the updates to all of our suppliers.”

Simon Koch, Project Lead/Manager

Legacy system makes supplier labeling challenging

Würth IT was looking to standardize their labeling, yet their current labeling system had its challenges. “We had a labeling solution that was custom-built by a small company with only a few employees,” relates Simon Koch, Project Lead/Manager. “The system was based on labeling software they had programmed. It consisted of a locally installed database, label design software and a label print interface. Everything was installed locally with CDs, and every time we had an update to the software, we would have to send new CDs with the updates to all of our suppliers.”

This approach created multiple challenges for the Würth IT team. First, the manual updating process made it impossible to have an overview of which label software version Würth’s suppliers were using. “With such a large number of users, it was impossible to keep track of who was using what version of the system,” Simon explains. “Some CDs would get lost in transit when we were sending updated versions and some partners would continue to use outdated versions.”

Second, the homegrown system was a challenge to support. The original system programmer was no longer with the company, meaning that much of the original system knowledge had been lost. The company that designed the software was subsequently acquired by another software company. This meant the company behind their labeling system technically ceased to exist. This raised additional concerns about their ability to support the platform in the future.

Würth also struggled with many of the typical challenges related to legacy systems. They experienced misapplied labels, which led to relabeling of products, meaning delays in shipping. They also had delays due to lack of data.

All of these developments led Würth to the conclusion that they needed to find another labeling solution. Their requirements were quite clear. “We wanted a system that would be available round-the-clock, that could offer a centralized database, that we could provide to our suppliers without installation and that could deal with various printer brands and models,” recalls Simon. It was crucial to supplier adoption that the new labeling system could use the supplier’s existing printing infrastructure.

The Solution

From manual updates to seamless web printing

Würth implemented Loftware NiceLabel's web printing solution for their supplier labeling. Approximately 180 suppliers in 15 countries are using NiceLabel's web printing solution. "Our suppliers weren't pleased with the old system," comments Simon. "They knew it wasn't optimal." By using logic similar to the one used in the old system, NiceLabel was able to ensure a smooth transition to the new system. The system contains 10 label layouts that were designed in cooperation with NiceLabel. As of September 2018, Würth's suppliers print approximately 8.5 million labels a year using NiceLabel's web printing solution.



Benefits

Faster label changes leads to greater agility

Introducing a web-based, standardized solution has had a big impact on Würth's agility. With a centralized database containing all label information, Würth can ensure that changes are quickly rolled out across their supplier network. "Now, when we make label changes, they're deployed instantly, so our suppliers' labels are always up-to-date," Simon relates. "That is the biggest advantage of the new system. We can react very quickly and deploy changes faster."

Centralization provides a clear overview

Würth IT also benefits from centralizing user management and record keeping. They always have a complete overview of the suppliers accessing the system and a complete print history. The web printing solution also ensures users are always using the correct version of the labeling solution.

Faster onboarding of new suppliers

NiceLabel has also helped Würth improve their supplier onboarding process. “Suppliers like to have a trial version first, to see if the software works with their internal infrastructure,” Simon relates. By using NiceLabel’s Cloud version of the NiceLabel platform, suppliers have an easy way of gaining access to the system, so they can familiarize themselves with its functionality prior to a full-scale private Cloud implementation. “With Cloud, it only takes 5 minutes for them to get access to the platform, and then, if they decide to work with it, we can transfer them to our private Cloud system,” he explains.

Going from a CD-based installation process to a web-driven one has significantly eased the burden on Würth IT.

The key to successful supplier labeling

Simon explains why having a smooth onboarding process for suppliers is so crucial to Würth’s business. “From the purchasing point of view, our intention is always that the suppliers deliver the goods to us in a way that we can sell them – packed with our Würth boxes and branded with our labels. The easier we make it for them to print our labels, the greater the likelihood that they will use the system and ship goods to us in the right way.” The NiceLabel solution makes the supplier onboarding process quick and painless. “With NiceLabel, it’s one phone call, get their contact details, and half-an-hour later the supplier has access to the platform, can print labels and is ready to go and deliver goods to us in the right way.”

Working together with Würth IT, NiceLabel has also developed other label printing solutions that address Würth’s box and rack labeling needs.

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Simon Koch, Project Lead/Manager

Full SAP integration for easy box label printing

To meet Würth's box label printing needs, the NiceLabel team developed an integration with Würth's WS1 system, which is based on SAP. They can trigger printing in three ways, via the SAP GUI, via a mobile printer or where the SAP GUI launches a NiceLabel form and transfers the data. This integration means that NiceLabel is a WS1-ready solution, which can be implemented to meet the labeling needs of all companies in the Würth Group, once they are transitioned to the approved WS1 system.

Powering Würth's ORSY® system

The award-winning ORSY rack system is a service Würth provides for its retail customers' stores. Würth delivers the metal racks to the customers, which are installed on the customer's premises (in their shop or warehouse) and then stocked with Würth's products. Würth's sales representatives handle the entire installation and set-up process, including printing Würth labels (a process called signing) and placing them on the racks. However, since this installation is done in the field, it's not always possible for the reps to be online when they have to print labels. The reps use mobile printers so they can print labels directly at the customer. The NiceLabel team configured a version of the labeling software that works with a local SQL database and uses an updating tool to update the information against the web printing database. Using an offline solution based on NiceLabel software has its advantages. "Things work much more smoothly than in the past," comments Simon. "Our field staff now have access to functions within the NiceLabel software that enable them to print labels faster than they could with the previous software."

Looking to the future

Since 2010, Würth IT has worked with NiceLabel to develop a global platform for labeling that will meet the Group's current and future needs. The foundation is set for NiceLabel to be the official labeling platform for the entire Würth Group.

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Loftware is the world's largest cloud-based Enterprise Labeling and Artwork Management provider, offering an end-to-end labeling solution platform for companies of all sizes. Maintaining a global presence with offices in US, UK, Germany, Slovenia, China, and Singapore, Loftware boasts over 35 years of expertise in solving labeling challenges. We help companies improve accuracy, traceability and compliance while improving the quality, speed, and efficiency of their labeling. As the leading global provider of Enterprise Labeling and Artwork Management solutions, Loftware enables supply chain agility, supports evolving regulations, and optimizes business operations for a wide range of industries including automotive, chemicals, consumer products, electronics, food & beverage, manufacturing, medical device, pharmaceuticals, retail and apparel.

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