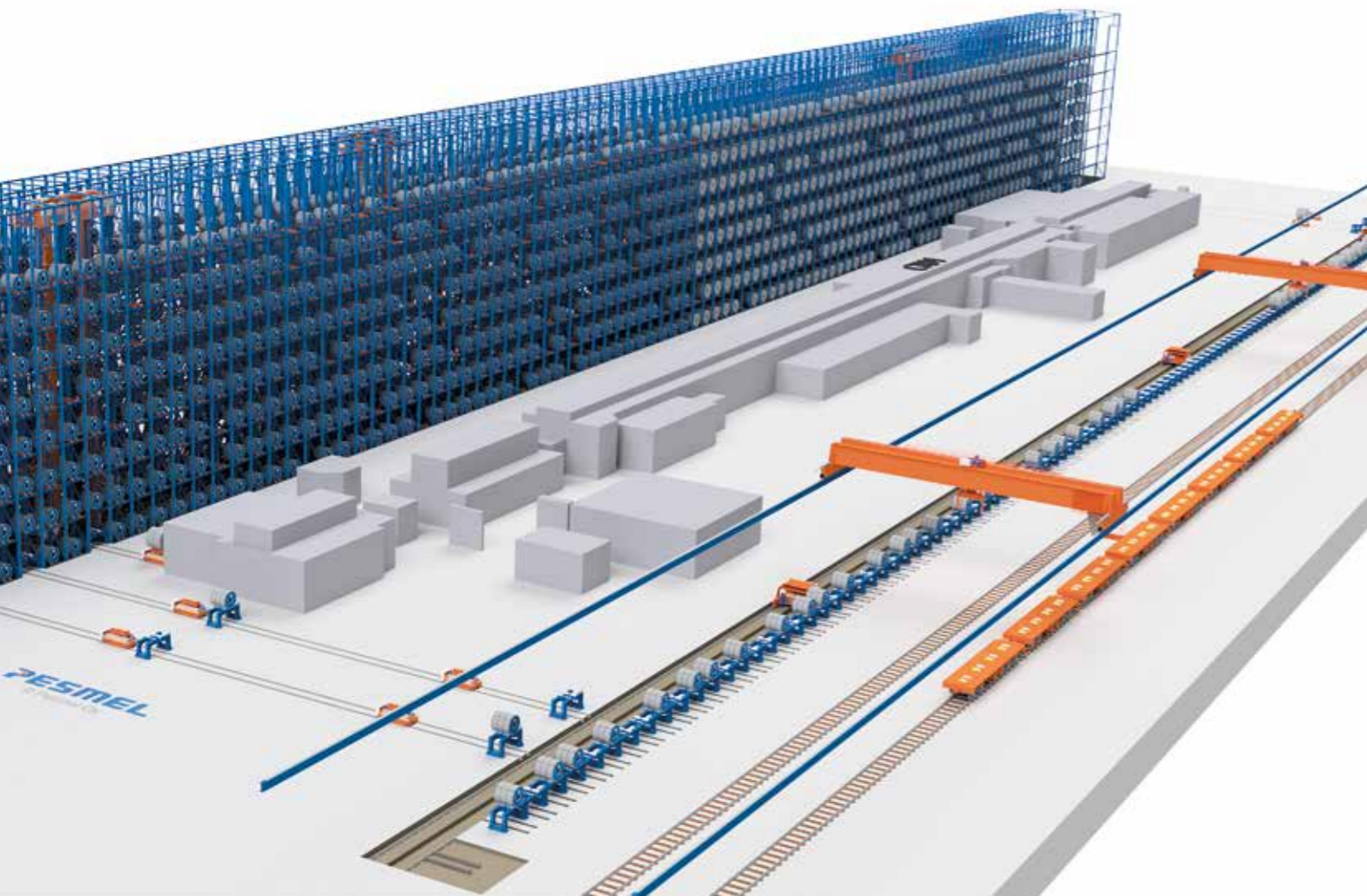


# From warehousing to a distribution center: developing your business through internal logistics

Continuous development of production and delivery processes is a given in today's manufacturing business. To assist in this effort, Pesimal will provide you with new perspectives and help you to develop your operations starting from the very heart of your operations: the internal logistics.



In the development of production processes, operations and best practices, there comes a point when all the major leaps have been made. All the systems seem to be running smoothly, but you may have a nagging feeling that something more could still be done.

You are probably right. By optimizing your internal logistics, you can for example turn your traditional storage areas into an automated distribution center that will serve your production process and streamline your customer deliveries with a level of effectiveness that you may not have believed possible. The impact of better internal logistics will be felt in all your operations from smooth production to increased sales.

“Managing and developing material flows offers great potential for taking important steps in developing many aspects of your operations,” says **Tony Leikas**, CEO of Pesimal. “The main idea is to eliminate all the bottlenecks and to ensure smooth material flow throughout the mill.”

## Countless opportunities for improvement

Storage as an automated distribution center boosts your mill's efficiency. This potential actually allows you to achieve many far-reaching benefits and to create a powerful and dynamic distribution center that is optimized according to your priorities and can be modified when your operations change. This will open up opportunities for improvement all the way up to your strategy and business models. In today's world continuous development is essential, and a modern WMS (Warehouse Management System) provides even more potential for setting up and fine-tuning the mill logistics.

“Material flows form a flexible link between the mill, customers and entire markets,” Leikas points out. “This flexibility allows the development of any area that connects to the distribution center.”

“Managing and developing material flows offers great potential for taking important steps in developing many aspects of your operations.”



PHOTO: PEKKA NIEMI

## Efficient production and 15% sales increase

You can boost your production operations through better synchronization with internal logistics. For example, with the help of automated storage you can optimize the size of your production batches for each process separately. This will help you to achieve the best possible utilization rate and a higher production output.

Adjusting material flows to follow the market cycle is one of the areas where significant results can be achieved. When you know the regular market cycle for your products, you can use historical data to modify your operations and production plans. Automated storing and logistic functions will help you to follow the cycle and ensure that you always have the right amount of products ready for delivery. An efficient distribution center will enable a proactive approach to customer needs and help you to revamp your whole sales and production strategy. As a result, sales increases of 15% have been reported – without any increase in total storage volumes.

Similarly, the efficiency of transportation operations can be improved by considering the schedules of trains and road transports, for example, and

matching them with smart delivery center operations through the WMS. The enhanced delivery chain will further increase your sales.

## Pesimal provides the expertise

Pesimal doesn't only have the expertise and resources to design complete internal logistics and delivery center systems that function with unparalleled efficiency – we also understand your business. Our experts will help you find ways to improve various aspects of your operations, and build optimal systems for a new mill or help improve an existing unit with modern logistics. Whether you have clear plans or just a hunch that something could be done to your material flows to benefit your business operations, together we can establish an effective plan to reach your objectives.

Our specialists will analyze your business data to pinpoint useful development actions and utilize powerful tools such as 3D models and simulation to bring the ideas to life. The models include interfaces with other systems, letting you see how the internal logistics system and the delivery center connect to other operations, and how to get the most out of these connections. •