

Situation

- Two central warehouses are used for storing and distributing raw materials for production, as well as for shipping finished pharmaceuticals. The warehouses had not been managed under a unified ERP system until now
- Storage is subject to strict quality control and traceability standards required by the pharmaceutical industry
- There is a need for an advanced warehouse management system supporting mobile terminal processes and accurate tracking of warehouse operations
- The company has transitioned to SAP S/4HANA, with the implementation of advanced warehouse management (SAP EWM) carried out in parallel

Challenges

- The start of EWM coincided with the go-live of the converted ERP system, upgraded from SAP ECC to S/4HANA
- Warehouse management with mobile terminals was introduced in an environment where no system had previously been in use
- A number of historically used logistics processes (often custom-developed) lacked up-to-date documentation for the code in SAP R/3
- The complex layout of the old warehouse building posed challenges in optimizing Wi-Fi access points for mobile terminal connectivity

Solution

- Coverage of all warehouse processes using mobile terminals
Integration of warehouse processes with production control through SAP PP-PI – process manufacturing
- Receipt of pharmaceuticals from production using the interface to Mettler scales
- Dispatch of semi-finished goods for subcontracting using EWM and subsequent receipt of the refined product
- Inbound processing in EWM with implicit quality inspection in SAP QM and usage decision
- Packing station for outbound shipments supported by a brand-new outbound inspection application on a mobile terminal

Benefits

- SAP EWM implemented as an integrated system within SAP S/4HANA
- Introduction of structured methodology into warehouse processes
- Automatic prioritization and task assignment to warehouse workers via mobile terminals
- Real-time processing on mobile terminals with immediate data updates in SAP ERP
- Implementation of handling unit labels with QR codes for easier identification and handling
- Simplification and acceleration of certain processes through re-engineering during the implementation phase – particularly in intralogistics, inbound from suppliers, production, and subcontracting
- Elimination of most paper-based operations in warehouse activities
- Scheduling of outbound activities – optimized workload planning and space-saving on the dispatch area
- Full traceability of batch usage across the entire logistics process from production to customer shipment

Future plans and development

- Expanded use of reporting through the SAP Fiori platform



Industry

Production and
Pharmaceuticals

LoB

Logistics and Warehousing

Customer

PRO.MED.CS Praha a.s.

Headquarters

Prague, Czech Republic

Products and services

Production and Distribution of
Pharmaceuticals

Number of employees

>550 (2023)

System environment

- SAP S/4HANA 2021 Cloud
Private Edition
- SAP EWM Basic

Project Implementation Timeline

6/2022–1/2023

Reference

Libor Wenzel, Logistics
Director