

CASE STUDY

How Pfeifer is putting
logistics efficiency
at the root of their business



Facts and figures:



2 600+
employees



4 000+
customers in
90+
countries



5 500 000
solid cubic meters timber
processed per year



13 facilities in **4** countries



€1 400 000 000
annual revenue



85 000
transports per year



100 000
transports per year



About the customer

When a company's slogan is, **Passion for Timber**, you know they are serious about working with wood.

Pfeifer is a third-generation family run business, and its customer values today remain as strong as those established by its founder Barbara Pfeifer. Its history is an incredible story of triumph over adversity, as Pfeifer was left widowed, with three children, during the Second World War. Refusing to be defeated, she set up a cutting saw mill in 1948, when the sector was dominated by men.

Out of this family pioneering spirit, the Pfeifer business went on to become the leading timber

processing company in Central Europe. Today it has 13 facilities in Austria, Germany, the Czech Republic and Finland, and also exports to Asia, North and South America and Africa.

To protect the company's core values and achieve its objectives, Pfeifer has learned to be successful in a sustainable way. Timber comes from sustainable forests in Europe, there is a maximum distance of 250 km between the cutting site and the sawmill, and products are only transported on FTL.



Challenges

In an increasingly competitive environment, Pfeifer needed to reduce its costs and manage time-critical deliveries for the building industry. If a truck is just one day late, it can cost up to €25,000 in the CLT (cross laminated timber) project business.

These transportation costs have a big impact on the end price of products in the timber industry. To reduce overheads and improve efficiency Pfeifer needed to centralise and digitalise its transport scheduling unit. This would enable its logistics team to better organise the loading processes,

thereby reducing traffic jam issues and costly waiting times.

In short, the company needed a scalable logistics platform that would support international growth of the Group.

“ *Our construction elements have to be on the construction site at 7am on day X. That means our logistics processes must be under control. If we are a day late it costs us between €20,000 and €25,000. Thanks to Transporeon, we can meet our delivery deadlines with pinpoint accuracy. Half an hour after delivery, the product will be assembled and two days later the house is ready.*



MICHAEL PFEIFER
CEO PFEIFER GROUP

Solution

Since 2009, Pfeifer and Transporeon have enjoyed a close partnership.

Currently, 8 plants across Europe use our **Transport Execution Hub**, and are benefiting from products such as No-Touch Order, Best Carrier, Rate Management, Attachment Service, and the Dock and Yard Management Hub.

Thanks to a proactive change management, motivated employees and good communication between the project teams on both sides, the implementation was successful, and the project immediately produced positive results. The platform

is now perfectly embedded in Pfeifer's IT landscape and communication between the systems is seamless, thanks to Transporeon Add-on Hybrid for SAP S/4HANA.

Recently, Pfeifer also adopted a **Data Hub** solution with **Network Insights** to achieve transparency and knowledge into its logistics operations. Exchange between the Transporeon team and the Pfeifer team is ongoing, and there is always a desire for continuous improvement.

In a good partnership it is important that each partner responds to the other and quickly takes up and implements tasks. With Transporeon we always have a very good partner by our side, who solves our logistics issues and processes very effectively.



MICHAEL PFEIFER
CEO PFEIFER GROUP



Results



Thanks to the **Transport Execution Hub**, Pfeifer is now able to adopt a mix of contract and spot assignments to fulfil its transportation needs, reduce empty miles and increase FTLs. It has achieved this by streamlining communication with the carriers and securing capacity through enforced relationships with carrier partners.



A key part of adapting its transport assignment strategy is the big data gained from **Network Insights**, which Pfeifer has used to create benchmarks and gain real insights into the cost structure of contract vs spot prices. This view can also be created per carrier and supports objective data negotiation.

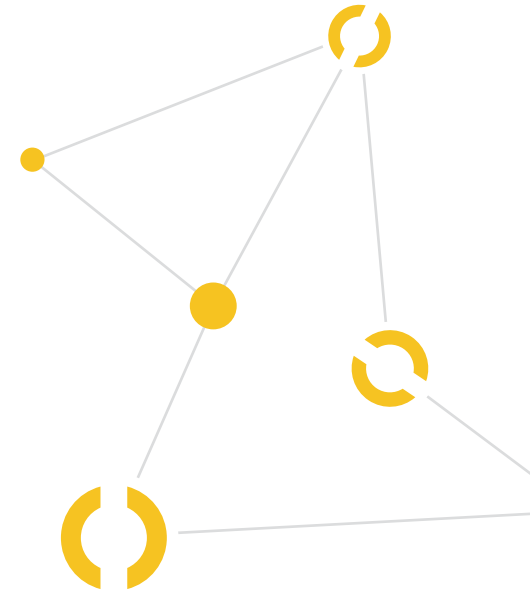


Use of the **Dock and Yard Management Hub** has ensured an even distribution of truck arrivals between the hours of 6.00 and 16.00, with 50% of arrivals on time. Pfeifer has also benefitted from better on-site organisation in the loading areas, with truck processing time reduced by up to 30 minutes per vehicle.

Look into the future

Pfeifer is looking to further use benchmarking data to improve and automate its processes.

In addition, it aims to add new Transporeon products to its toolbox which will give its customers access to real time insights about their deliveries. Plus, they plan to start CO2 emission accounting, with our Carbon Intelligence products.



“ We don’t just maintain partnerships in purchasing and with our customers. Logistics and transport are also an important link, ensuring our products reach the customer at the right time. Partnerships and networks will become even more important in the future, especially in the transport business, and also with all our forwarders. ”



MICHAEL PFEIFER
CEO PFEIFER GROUP



Learn more about our **Transport Execution Hub** and make your transport execution process a smoother ride

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