

From Langen to the rest of the world

- ▶ LuK Aftermarket Service uses TecCom as its ordering platform for wholesalers and own sales offices





LuK-Aftermarket Service, a subsidiary of the LuK Group, is focused on the global aftermarket for passenger cars and utility vehicles, in addition to other components and agricultural machinery. The subsidiary is based in Langen, near Frankfurt am Main. Under the group brand "LuK", the company markets powertrain components, engine parts, pneumatic springs, power steering pumps and spring strut bearings. Its range of products is constantly being increased and so its customers can call on a wide range of original branded parts, together with first-class product service covering everything from workshop systems and disposal concepts to IT applications. LuK's service strategy is highly competitive at all levels of the aftermarket. The company offers customers not only quality products, but also provides them with the right kind of support to keep them successful in the global market.

>>> Growing customer base

One of the key factors of LuK's service strategy is TecCom. As a TecCom partner LuK has been using the system since October 2000. Around 50 of LuK's European wholesale customers, as well as its sales offices in the UK and Spain, are now connected to TecCom. And this figure is growing weekly. "Although our sales department is strongly committed to TecCom, we don't try to force it onto our clients. But new customers who want to join the digital highway are immediately connected up," said Markus Liewald, Head of Logistics, Process Optimisation and Quality Management at LuK-

Aftermarket Service. Many of the enquiries LuK receives in connection with TecCom come from outside of Germany, as the company traditionally works with major trade partners, such as Rhiag in Italy. For these customers, whose warehouse requisitions comprise large volumes, the potential savings offered by TecCom are extremely attractive.

In addition to TecCom, LuK's trade partners can also use EDI to place orders. The trend, however, is moving in favour of TecCom, for TecCom is the only



system that enables wholesalers to obtain feedback, such as invoices and delivery notification with delivery notes and parts lists. "This is crucial information for wholesale and retail companies that we can't really provide in full with EDI," said the LuK manager. Customers with TecCom can also query online the availability of parts in the central Langen warehouse, and then order them for express delivery.

Before TecCom, LuK used a proprietary system – until it became apparent to headquarters in Langen that an isolated solution would never be able to cope with the demands of a internationally-active company such as LuK. "The decision to install TecCom was based on market requirements. One system for the entire industry is of particular benefit to the first tier in our sales organisation. With this system we can potentially reach all industry suppliers. And for us, it's essential to have a system that works internationally, regardless of the transmission standards," said Liewald.

>>> Decentralised but central

Langen is the home of LuK-Aftermarket Service's European central warehouse for car components. The town of Kaltennordheim is where truck parts are stored. The central warehouse for agricultural machinery is located in Hereford in the UK. The company also has distributors with depots for regional distribution in Hereford, Madrid (Spain) and Warsaw (Poland). The three distributors operate in their countries as first-level traders, receiving weekly supplies from Langen. They also take on a sales-and-distribution role for other sales agents.

In Great Britain, LuK was the first company on the spare parts market to introduce TecCom. It took a year of preparation and testing before orders could finally be sent electronically via TecCom. This occurred in April 2002. The first customers were the 10 offices of the CES Group. "Because in the UK most of the urgent goods are ordered for overnight delivery, TecCom is the best way of keeping availability high in the regional warehouses without increasing the stocks. And we're always up to date on what part is required and where in Europe," says Liewald.



Markus Liewald,
Manager Logistics, Process
Optimization and Quality

In Spain, too, LuK was one of the first

TecCom-productive suppliers. Since February 2002, LuK's Spanish customers have been able to use all of TecCom's functions via the sales office in Madrid.

"The great advantage of electronic communications such as TecCom for a company like LuK is that orders to the various sales offices can be managed centrally at one location, and without any need for manual input. What's more, all our customers can be provided with electronic delivery information and invoices quickly and easily," he said. The central warehouse for agricultural and truck components, as well as the regional express warehouses in Germany and Austria, are all linked up to TecCom. However, the order always goes via Langen, where

the system queries the stocks at the various locations in a fraction of a second, works out the best sales channel and then sets the mechanisms in motion for delivering the required part to the customer.

>>> Direct to the warehouse

Orders from European customers at the first trade level are transferred directly into the Material Management System (MMS) at LuK. The interface was programmed by LuK itself. Express orders are possible for up to a maximum of three sales units. If the order is received at LuK by 5.30 pm, it is dispatched by night courier, reaching the customer the following morning. LuK also supplies express parts directly to the second tier of the trade chain. Orders and invoicing are performed only via the first tier. The procedure, from order to dispatch preparation, takes just a few minutes. This service is made possible thanks to a high level of automation. Express orders via TecCom are forwarded from the MMS direct to the warehouse management computer. Express parts are stored in an automatic container warehouse, which is controlled via the warehouse management computer. This computer system delivers the ordered part to the packing stations. "TecCom runs entirely in the background at LuK. Only when orders have to be analysed do customer service staff come into contact with TecCom," said Liewald. "This creates plenty of scope for process optimisation – a factor that ultimately benefits the customer too."



>>> About TecCom GmbH

TecCom is the market-leading B2B platform for the independent European aftermarket. TecCom shortens, simplifies and automates the parts ordering process for parts manufacturers and wholesalers. In an online dialog box, and via EDI or WebEDI, customers and staff can check availability, verify delivery deadlines, order spare parts, confirm orders, announce deliveries and send invoices.

>>> The following companies from the automotive industry are partners of TecCom:

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