

## Hilti's New Bar Code System Saves Time and Increases Accuracy

*Hilti introduces a bar code system to manage its products and spare parts. Now, after only a few months of use, the investment is already paying off in increased accuracy in delivery and reduced time spent for both service management and order picking.*



The Hilti Group is a world leader in developing, manufacturing and marketing added-value, top-quality products for professional customers in the construction industry and in building maintenance. Their product range covers drilling and demolition, direct fastening, diamond and anchoring systems, firestop and foam systems, installation, measuring and screw fastening systems as well as cutting and sanding systems. They are committed to excellence in innovation, total quality, direct customer relationships and effective marketing.

Hilti's central warehouse and service department for Sweden and Denmark sits in Arlöv, just outside Malmö, Sweden. The company has been around for roughly 40 years, but in previous years Hilti had warehouses and service centers spread out over several cities. However, in 1997, the warehouse was centralized in Arlöv, and in 2001 the service centers were joined here as well.

After considering the use of a bar code system for many years, Hilti finally decided to take the plunge when the company introduced its new business system, SAP. It was then that the company would be forced to invest in new computers, so the time seemed right to commit to the bar code system as well. "The main reason that we wanted to introduce bar code technology is that the accuracy level is so high," states Lasse Liffner, service manager. "We have already brought down the number of errors and we save time, too!"

Datalogic's Business Partner, DataFångst Svenska AB in Malmö provided this solution with bar code readers and mobile computers to Hilti. The bar code system is used in the service center, where the system follows the product all the way from time the product is reported in for service to its return after being repaired, and during order picking to simplify order management.

Hilti performs about 30,000 services/repairs per year and this should be a fast and simple process. Most often, the entire process - from receipt of complaint until the time that the repaired product is received back by the customer - takes only three days.

The customer calls and reports the problem to the customer service department, which is then logged into the business system. A shipping request with the transport company, TNT, is automatically created and a label is printed out, and faxed to the customer. The customer prints out the label and attaches it to the box with the damaged or broken product. If the report is made before 13:30, the box will be picked up by TNT the same day.

When the box is received by Hilti, the product is scanned by Datalogic's Dragon™ M101/D hand held bar code reader, to check the serial number for the

### Customer

Hilti

### Industry

Manufacturing

### Application

Repair & Returns  
Warehousing

### Country

Sweden

### Datalogic Business Solution

Work in Progress, Warehouse Management  
Systems

### Datalogic Products

Dragon™, Formula Color™

### Datalogic Partner

DataFångst Svenska AB

*"We chose this particular scanner due to its durability. It is at home in rugged environments and has even fallen to the floor several times without breaking...Our customers receive their repaired machines back so quickly now, that they hardly notice that they have been gone."*

Lasse Liffner  
Hilti

product's warranty status. A new bar code is printed with the information about the customer and attached to the box which is then sent on to service. "The receiving of service orders goes remarkably faster with the new bar code system," says Jörgen Olsson. "We save a half day's administrative work every day, which can now be spent doing something else!"

Every work station is equipped with a Dragon™ cordless reader to avoid bothersome cables. It also has a display allowing easy confirmation of a good read. When the product arrives at the service department, the bar code is again read allowing the service technician to see what the problem with the product is and any other pertinent information about the customer and the product. Every spare part that is used in repairing the product is also scanned in. This automatically decreases the errors in inventory for each part in the system which makes part's planning easier. The order is updated so that at any time it can be checked to see what parts have been replaced. It is even the foundation for an invoice, if the product is not under warranty.

"We chose this particular scanner due to its durability. It is at home in rugged environments and has even fallen to the floor several times without breaking," says Lasse. "We chose the model with a display, despite its higher cost, since we thought that it was important to be able to check what is scanned."

Orlando, who works with the repairs, compares the procedures now with that of before. "The reporting of spare parts is much quicker and easier. Before, we had to write down and count all spare parts, and that was not always error free," he says.

The other application that was newly implemented is the order picking system in the warehouse which holds approximately 10,000 articles and where Datalogic's Formula Color™ mobile computer is used. When an order comes into customer service it is entered into the business system and a picking list is printed out in the warehouse. The picking of the item is done manually with the help of the Formula Color™. With the picking list in hand, the items are picked and every article number and serial number is scanned in and the item is then placed on a cart.

When the items have been picked, they are brought to the packing area. There the Formula Color™ is placed in its docking station beside a computer and all the article and serial numbers are transferred to the business system and assigned to the right order by way of the picking order number. A packing slip with all of the serial numbers will be included in the package that is sent to the customer. This is also the basis for invoicing. Once the items have been packed and sent for delivery, the inventory status is also updated.

"My job has become so much easier than before," says Anders Andersson, who picks items in the warehouse. "Before, I had to write down all of the article and serial numbers for an order by hand and then key them into the computer manually. It was very time consuming and easy to make a key error."

Thomas Isaksson, the warehouse manager, agrees. "We deliver approximately 45,000 machines each year and to save just a few seconds on each adds up to a several hours. But what I really want to point out is that the picking errors have for all intents and purposes ceased to exist, which provides even higher quality of delivery to the customer. And now we can see a history summary. Through the serial number, we can see exactly when each item was delivered to which customer, if it has been repaired and what the repair was."

Hilti is very pleased with its investment in bar code readers and mobile computers and even sees the possibilities in increasing the scope of the system in the future. It is hard to add up exactly how much is saved due to the new system, but there has been a very visible result in time saved and the amount of paper used, which has decreased by about 60,000 A4 sheets per year. In the end,



Datalogic Scanning, Inc.  
Toll free: 1 800 695 5700  
International: 1 541 683 5700  
E-mail us at: [scanning@datalogic.com](mailto:scanning@datalogic.com)  
[www.scanning.datalogic.com](http://www.scanning.datalogic.com)

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