

Willi Hahn GmbH

The Connection Experts for the Industry

Metal Processing, Automotive

Name:

Willi Hahn GmbH

Website:

<https://www.wiha.solutions/en/>

Products and Technologies:

Production and procurement of metal connectors and components including consulting at a high technical level (e.g., cold-extruded parts, turned parts, and milled parts) for various industries (like automotive, commercial vehicles, medical technology, traffic engineering, measurement and control technology, and mechanical engineering)

Locations:

Sasbach and Wuppertal/DE

Revenue:

approx. €40M

Employees:

220

proALPHA customer since:

2019

Focus on:

ERP for automotive and supply industry, Electronic Data Interchange (EDI)

Highlights

- Comprehensive ERP system with approximately 40 different EDI partner integrations
- Resource planning with proALPHA for overlapping production control
- One ERP system for all locations with proALPHA Profit Center Accounting
- Easy and structured entry of material surcharges
- Integrated document management system



Willi Hahn GmbH, short Wiha, started off in 1939 as a factory for screws and nuts. The company has specialized in producing and procuring customer-specific connectors for various industries. Wiha are distinguished by their high-quality connections in every respect. The innovative and leading manufacturer provides global players in B2B with metal connectors and components which comply with the highest requirements and certification standards.

Wiha impose the same requirements on the ERP provider. A good connection to and with the ERP system is an absolute must. Wiha require an ERP provider who is solution provider and development partner at the same time. Therefore, Wiha opted for proALPHA ERP in 2019.

"The ERP system can make the difference in the automotive and supply industry. In order to find the right solution with the highest degree of acceptance among the employees, we have involved 26 key users in the selection process. 25 voted for proALPHA!"

Katrin Seidemann, CEO, Willi Hahn GmbH

Besides manufacturing products in-house, Wiha also act as a procurement service provider for technologically advanced connectors and components. The company makes use of its extensive market and production expertise to reliably cover the product portfolio as required by its customers.

Both operating segments meet the demands of customers from many industries, with particular focus on the mobility industry. To ensure planning reliability, automotive suppliers demand strict quality management and cost-efficient standardization of all processes from suppliers like Wiha. These extraordinarily high requirements are defined in a standard set by the International Automotive Task Force (IATF). Wiha meet these requirements and are IATF certified. "In order to meet these requirements and to continuously improve all processes, we rely on a powerful ERP system," says CEO Katrin Seidemann and adds: "This is why we decided to fully renew our ERP landscape in 2019, and introduce proALPHA ERP."

Producing and procuring up to 280 million parts per year

The production volume gives a first idea of what Wiha demand from the ERP system. The two factories in southern Germany produce between 250 and 280 million parts per year with as few as 180 employees. Most of the parts are made using cold forming technology and then processed further. The factories have a total of 100 machines, which are all connected to an MDE. The massive machines form metal blanks into the desired shape by means of pressing tools. The benefit of this is that the production of cold-extruded parts does not produce any waste as opposed to turning or milling. This leads to a significantly

reduced raw material consumption, high stability and very homogeneous part surfaces. Thanks to a high vertical integration, Wiha are capable of further processing the pressed blanks with various procedures as required.

Optimized production times, processes, and costs

The competition among automotive suppliers is tough. But they all have one thing in common: they must meet the quality standards of the IATF. Therefore, suppliers have to shine with the greatest possible dynamics and flexibility regarding delivery times and prices. Wiha have contractually agreed to delivery time slots of sometimes only two weeks between a placed order and the delivery of the parts to their OEM customers, among which are the major German automotive suppliers as well as many tier 1 and 2 customers. To be able to guarantee the customers such short planning cycles, the processes in the company and especially in production must be connected smartly.

The ERP system serves as a hub here. In coordination with the persons responsible at Wiha, the proALPHA experts have adjusted the system in a way that ensures



efficient resource planning for the extremely overlapping production. It is divided into two stages. Stage 1 is the cold forming. "For economic reasons, we need larger lot sizes. Therefore, we press semifinished goods for customer orders on the basis of projects and keep them in stock," explains Lena K pferle, team leader for MRP at Wiha. When the customer calls the parts off, the required quantity is further processed. The works in process are stored in the so-called supermarket until the customer calls off the next lot, usually via Electronic Data Interchange (EDI). The works in process are then further processed according to the call-off orders. They often go through seven to eight more steps until the delivery, like inserting threads, coating, customized sorting, and packaging.

The process for procuring merchandise or raw materials requires the delivery date to be aligned with the customer's requested date. Furthermore, all parts and raw materials are thoroughly checked upon the stock receipt. Only when the parts or raw materials are declared "OK" are they available for MRP in the system. By means of proALPHA, this is possible for various storage areas.

About 40 EDI partners contribute to speed, transparency and consistency

The ERP setting at Wiha is special in a way that it includes an unusually large number of EDI partners. Only few companies with a size comparable to Wiha have an ERP landscape with a customer network of similar complexity. The company exchanges data and documents with its customers from the automotive industry via EDI. Wiha expect this traffic to grow by 20 percent for the next year.

The OEM and tier 1 customers of Wiha transmit call-off orders, movements, and credit memos via EDI. In return, the customers receive the required shipping and logistics data. The processes are highly automated. On the one hand, customer demands transmitted via EDI are immediately included in available-to-promise checks (ATP) and production planning. On the other hand, scanned shipping documents immediately trigger outgoing EDI messages by means of the DMS and workflows.

For this purpose, the different message standards and requirements, which are inevitable considering the large number of customers connected via EDI, are processed by a converter. It was installed by an



EDI partner and converts all incoming and outgoing messages to the uniform pAI format by proALPHA. "We only distinguish the categories 'works' and 'doesn't work'," says Seidemann. "We have successfully implemented all integrations with our new proALPHA ERP and are ready for the future – though there is still room for improvement nine months after the go-live."

Improved overview and planning in MRP

The company has already experienced a real difference with proALPHA ERP in MRP, which is faced with great dynamics especially in the automotive industry. For instance, call-off orders via EDI are often changed on short notice or demands are added, depending on the order situation. Now the planners at Wiha can immediately see whether there is a change request within the agreed frozen zone. Wiha must then check how the customer's requirements can be met. "This works way better than the previous system," says K pferle.

A decision for the future

The legacy system at Wiha was provided by a renowned ERP specialist and had been in use for more than 20 years. After numerous customizations, the solution had strayed so far from the standard version that general updates could not be installed anymore. A comprehensive update would have equaled a new installation. Therefore, Wiha explored the market to find the perfect partner for the company's future. After one year of thorough evaluation, Wiha opted for proALPHA. 26 key users were involved in the selection process from the beginning to guarantee the practicality and a high degree of acceptance among the employees. In the end, 25 of them voted for proALPHA.

"There were many key factors. We were looking for an ERP partner who had knowledge of the automotive industry and could help us grow," says Seidemann. "Our future ERP system should be easy to upgrade,



"proALPHA has helped us to improve our order entry process in MRP. We can now process orders more efficiently and quickly."

Lena Küpferle, team leader MRP, Willi Hahn GmbH

feature extensive functions in the standard version, and provide the option to be expanded as required. proALPHA ERP and the already available extra modules present us with the perfect solution."

Wiha opted for several of the modules and additional functions already at the beginning, including proALPHA Profit Center Accounting. The company used to enter and analyze the financial data separately for the two factories. The "Profit Center Accounting" module now allows for entering the data of all operating units in a single ERP system and analyzing them either as a whole or separately. The integrated Business Intelligence (BI) module and the integrated document management system (DMS) also improve the efficiency and the overview.

Future expansion of the ERP

Willi Hahn GmbH are now more dynamic than ever in all of their 80-year old history. Most recently, the company has registered a regular annual growth of more than five percent. And this is not supposed to change after the coronavirus crisis, of course. With proALPHA ERP, the company has laid the foundation for further process automations. For instance, they are planning to set up further EDI interfaces to connect suppliers. Furthermore, proALPHA DMS is to be linked

to the processes more effectively in order to digitalize processes and provide necessary information at any location.

proALPHA Business Solutions GmbH
Auf dem Immel 8 • 67685 Weilerbach
info@proalpha.com • www.proalpha.com

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User Report