

Press Release

Volkswagen moves ahead in the distribution of spare parts with the launch of PRO SERVICE, based on WMS by Generix Group

In the automotive industry, the distribution of spare parts is a key activity and is booming, showing growth of around 8% from 2014 to 2016. The use of various software tools for managing logistics not only facilitates operations in this complex market segment, but also makes it possible for manufacturing companies to take direct charge of this important function, which has a major impact on the perception of quality by end users.

Volkswagen has decided to move ahead of other companies in the sector by launching a new strategy for the distribution and sale of original parts. Known as PRO SERVICE, this project relies on the Generix Warehouse Management System (WMS) and the expertise of this software editor in both retail and e-commerce.



The PRO SERVICE project

Volkswagen's new PRO SERVICE strategy for marketing original spare parts is based on a priority goal: "ZERO errors". To achieve this, the company has taken note of garage requirements for agility and service and, during the next two years, plans for PRO SERVICE to have a network of 41 warehouses throughout Spain, which will allow the distribution of any of the 845,000 references for Volkswagen Group vehicles within a two-hour period, depending on the route, and with an objective of up to four deliveries each day.

PRO SERVICE has already begun operations with four distribution centers located in Zaragoza, Lleida, Girona and Tarragona.



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In 2017, four other PRO SERVICE points will be opened in Barcelona, five in Madrid, five more in the north and four others in the east.

The extent to which the automotive company is counting on this system is shown by plans to use 400 professionals for this service. Fifteen of these will be engineers who provide support for repair workshops.

This change in the distribution model for spare parts obviously requires backing by an experienced technical partner to help meet the challenges of this innovative strategy in the automotive sector.

The role of Generix

Volkswagen chose the WMS solution by Generix because of the software's robustness and reliability, as demonstrated by its current operation in over 1,100 warehouses in 30 countries.

The extensive experience of Generix enables designing warehouse flows that optimize logistics processes according to product and end user.

The WMS solution can be integrated within a client company's ERP system and also allows the quick and safe integration of all types of orders managed by PRO SERVICE. In this way, Volkswagen will have real-time confirmation of both orders and sales, as well as a record of warehouse adjustments and an overall picture of stocks.

On the operational level, WMS by Generix Group has enabled PRO SERVICE to:

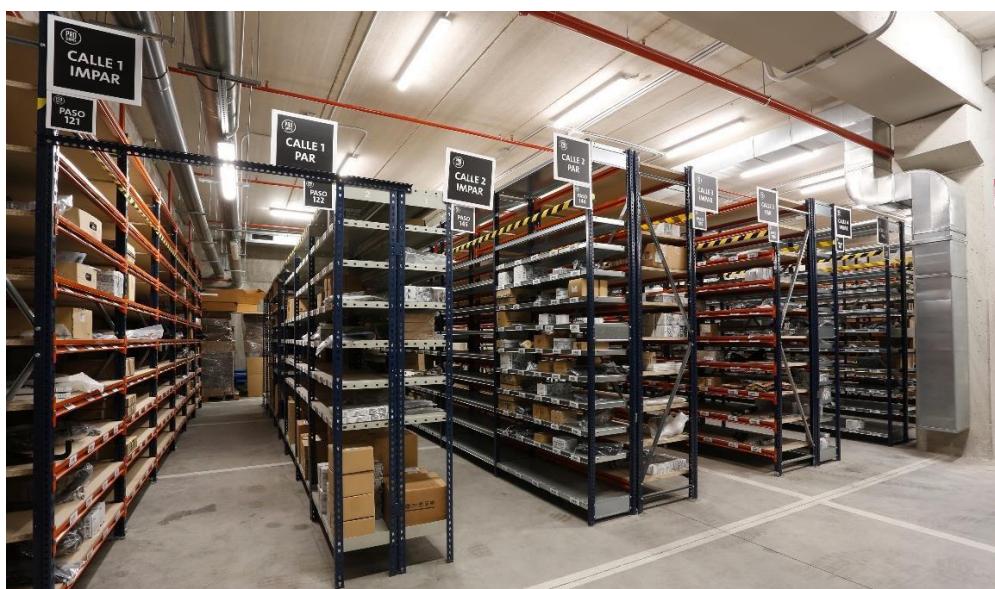
- Design optimal logistics processes according to the requirements of each order, customer or part, both at reception and in preparing orders.
- Design a warehouse with dynamic picking management and optimized location according to product rotation and size.
- Automatic planning of order preparation according to flow (urgent, stock and front desk equipment).
- Increase service quality through internal controls made by WMS during the various warehouse processes.
- Increase warehouse stock reliability through rotating inventories and continuous counting during preparation.

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Benefits for VW

- Control of the entire part supply chain.
- Better guarantee of quality for the end user.
- Optimization of warehouse space.
- Optimization of service time.
- Reduction of stock shortages.
- Simplification of the network.

In addition, the system allows identifying the part with the vehicle chassis number and substituting it without errors, even when substituting for a more advanced technical level if this level exists.



ABOUT PRO SERVICE

PRO SERVICE is an initiative of the Volkswagen Group for the sale and distribution of original parts to independent garages. It represents a unique change in the way of managing distribution of the Group's brands that adapts to the needs and work dynamics of these repair workshops.

ABOUT GENERIX GROUP

Generix Group is an editor of software solutions that help its customers meet the new challenges of the digital company: improve the purchasing experience, build a digital supply chain and interchange data electronically. By building differentiating services, Generix aims to optimize the overall performance of companies and their ecosystem, while satisfying the changing expectations of customers. Over 5,000 international players have helped establish Generix Group as a European leader with close to €58 million in turnover.

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