# The CASAMODA shirt and its logistics journey: TGW logistics centre for CASAMODA in Oldenburg, Germany

**The shirts of CASAMODA Heinrich Katt GmbH & Co. KG: they fit perfectly and provide the highest comfort and durability when worn at the office as well as in your spare time. About 12,000 different items of the CASAMODA and Venti brands are stored and shipped to the customers from the logistics centre in Oldenburg. It is obvious that a sophisticated system pulls the strings throughout the installation. The Austrian materials handling expert TGW, implemented an intelligent system which lets fashion literally float through the installation.**

The shirts and sweaters of the CASAMODA and Venti brands appear in all colours in more than 30 of their own stores as well as in the stores of thousands of retail partners. The selection is remarkable considering about 17,300 items are produced daily. They are manufactured in their own facilities located in Macedonia and Rumania, and afterwards the goods enter the distribution centre in the German town of Oldenburg. From there, they are sent to the retail partners and directly to customers’ homes.

**Apparel logistics changes over time**

The company's successful growth since it’s foundation in 1924 has not only led to a problem regarding storage space, but also to the necessity of a new materials handling system. “The retail industry is changing quickly, and we weren’t able to compete with a 25-year-old logistics system,” says Stefan Hillje, Team Leader of Business Development at CASAMODA. “We deliver a new collection every four weeks, so we have to tackle our peak times in these intervals. We weren’t able to continually withstand this problem.”

CASAMODA's new logistics installation now accommodates a highly automated system with a ten-aisle automatic mini-load warehouse, and a hanging bag sortation system provided by the customer including smart software in the background that allows Casamoda to complete their work during peak times.

**High performance ensures customer quality**

There is a simple reason for wanting a new highly automated logistics system: CASAMODA promises their customers reliable quality, not only regarding perfect fit and diverse designs, but also for first-class customer care. “Quality is of utmost importance. Our new logistics system guarantees individual processes, interfacing between different areas and highest performance. Thus, we can pass this service to our customers – and that was the most important aspect for us!” says Stefan Hillje.

The planning for the new CASAMODA facility started in 2012, and in 2014 the logistics centre was opened. “We had a very high level of customer service already with the old logistics system. We knew we had to continue to extend this level of customer service, and by opting for the new distribution centre we would succeed.”

**Materials handling system with style**

The goods from the company's own production facilities and from external suppliers are delivered to the goods receiving area on pallets. The individual single-item cartons are transported via the directly connected conveyor lines and sent to the barcode station for identification within the logistics centre.

From there, the cartons are immediately conveyed to the automatic mini-load warehouse. The ten aisles equipped with TGW Mustang Evolution stacker cranes and Twister load handling device are capable of storing up to 110,000 cartons. This is equivalent to a storage capacity of more than 1 million items in the warehouse. The cartons are stored in double deep 70 metre long by 12 metre high aisles. The conveyor equipment transports up to 1,200 cartons per hour into the warehouse, 2,500 cartons are handled within the warehouse per hour. The system guarantees that every item is available even in case an aisle breaks down.

As soon as an order arrives at the logistics centre, the goods are retrieved in batches and automatically sent to one of the seven picking workstations. There, screens inform the picking employees about which goods to retrieve from the cartons. Afterwards, one article per hanging bag is transported to the picking stations for filling the cartons. "The employee scans all items directly at the workstation. If a wrong item is placed in the hanging bag, the system will block and no following items will be shown. Only if the correct item is placed into the bag, the process will continue," logistics expert Stefan Hillje explains. Once all relevant items have been withdrawn from the carton, the split case is sent back to the warehouse. Empty cartons are automatically transported to the empty carton buffer. "This way we are able to process 800 items per hour. If we work on bigger orders and pick about ten items from each carton, we can achieve a performance of 1,200 to 1,300 items per hour," Stefan Hillje describes.

**Floating through the logistics centre**

Now, as the journey continues as if by magic, the software guides the individual hanging bags through the building and distributes them on the sorter into six or seven lanes, where about 5,000 hanging bags wait in line for the rough pre-sortation. As soon as one lane is ready, the entire line starts moving and is sent to the second half of the room for fine sortation. The system sorts all the required items that need to be consolidated into one carton. They are transported in the exact sequence of how they are layered in the carton. "If you order a nice white wedding shirt and a sweater, the sweater should be layered at the bottom of the carton, in order not to crumple the shirt. The system knows these rules and sorts the ideal sequence for the delivery, where the most sensitive goods are put on top of the other ones," comments Stefan Hillje.

Then, the hanging bags float to the packing workstations. The system immediately recognises the packing workstation with the least workload and checks in the hanging bags there. The picking employee takes over and layers the goods from the bags into the shipping cartons – in the exact sequence. The system suggests the ideal carton type and size for the order, and prints an invoice if required.

The packed carton is consequently forwarded to the VAS (Value Added Service) workstations for the electronic article surveillance and labelling. "Many of those steps are already done during the production process, because we know from the start which items are produced for which customer. But since it takes a while to get from production to shipping, we often make corrections or changes at these stations. Some customers ask for special pricing or security tags or even information of origin," Stefan Hillje adds.

The system checks the contents of the cartons by sending them through a contour control and a scale. The carton is strapped and is either directly transported to the truck or led into the shipping buffer. "Especially for international or overseas customers, the freight prices influence the shipping date. In the shipping buffer, we can react immediately and ship the packed goods as soon as the customer dictates.”

**Pulling the strings through the apparel logistics centre**

TGW took care of the common thread through the installation. Thus, the material flow control system for the conveyor controls and the stacker cranes were supplied by TGW. Furthermore, the TGW Commander Controls were used for the stacker cranes.

Logistics installations can no longer do without efficient energy: various stand-by modes were implemented in the CASAMODA logistics centre. By using several different stand-by modes, energy is conserved with the automatic stand-by functions for conveyor equipment not currently in use. Therefore, throughput and noise levels change as does the electricity bill at the end of the year.

**The future of the apparel industry**

"For us it was important to have a logistics system that grows with CASAMODA. The apparel industry is constantly changing, we have to be able to adapt to the market – even with our logistics processes," says Stefan Hillje. "The new logistics installation allows us to easily handle our peak times, but to also work efficiently in times of reduced workload. We are able to operate the system at different paces and use an energy saving mode." Flexibility is a key word for CASAMODA as the orders are processed in waves.

The advantages of CASAMODA's new logistics outfit are obvious: "Now, we are working with brand new processes. Just think about the sortation within a carton – it was a lot of work before; today, we don't even think about it. The system knows what to do," he says. Even customised labelling at the VAS workstations is integrated into the system. "We don't need to take the goods out of the normal process because everything is included. The throughput has been increased, and the performance is even higher than we are able to handle at the moment. The system grows with us, which means we can guarantee a higher delivery and quality."

A scalable installation, where it is possible to add modular aisles or picking workstations, is not the only important aspect in apparel logistics. "The industry develops faster than we can plan. This is why we are very happy about our scalable system. In the future, e-commerce will become more and more important, and for us too. There will be no problem with our new system," Stefan Hillje says conifdently. "With this system, we can face the future with confidence. Our logistics is very solid."

**Of v-neck and logistics**

CASAMODA already knew in the plans that TGW would play an important role in their new logistics system. "It was about the cost-ratio-benefit and about the collaboration, the common basis. You spend a lot of time with each other when you are doing a project like this. Trust is one of the most important aspects in this respect. And we trusted TGW and their employees," Stefan Hillje says remembering the project. "We asked for a complex system requiring a number of interfaces and wanted to use our existing premises. We had a positive feeling with TGW from the start. The collaboration was unique, and we felt that we were in good hands. And we still are! After all, our logistics has to grow with us," the Team Leader says happily.

So what is the bestseller at CASAMODA? "You might think it is a shirt. But actually, it is a classic sweater with a v-neck. We have it in all colours. This classic item is our top A-product!"

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**About TGW Logistics Group:**

TGW Logistics Group is a worldwide leading systems provider of highly dynamic, automated and turn-key logistics solutions. Since 1969 the company has been successfully implementing different internal logistics solutions, from small material handling applications to complex logistics centres worldwide.

With about 2,200 employees worldwide by now, the Group implements logistics solutions for leading companies in various industries, such as adidas, H&M, Esprit, Jack Wolfskin, Bentley, Amazon or Kärcher for instance. In the business year 2013/14, the TGW Logistics Group generated sales revenues of 371 million Euros.

**Pictures:**

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Casamoda\_05.jpg: The CASAMODA building in Oldenburg, Germany.

Casamoda\_10.jpg: About 12,000 different items of the CASAMODA and Venti brands are shipped to the customers from the logistics centre.

Casamoda\_19.jpg: Complex processes in the P&D zone of the ten aisle mini-load warehouse by TGW.

Casamoda\_33.jpg: Up to 110,000 cartons are stored in the automated mini-load warehouse.

Casamoda\_43.jpg: At the re-packing stations the shirts are put from cartons into hanging bags.

Casamoda\_52.jpg: Picking area: the single items are put into the shipping cartons.

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