



Telefonica

The customer

- Telefónica Germany GmbH & Co. OHG is a subsidiary of Telefónica Europe and a part of the Spanish telecommunications corporation Telefónica S.A.
- The company offers its private and business customers in Germany postpaid and prepaid mobile telecommunications products as well as innovative mobile data services on the basis of GPRS, UMTS and LTE technologies.
- In addition, the company also provides DSL fixed-line telephony and high-speed Internet as an integrated communications provider.

Innovative modernization of a multichannel logistics site

Throughout the supply chain, telecommunications companies need effective support if they are to be optimally positioned to meet the growing demands of the market and their customers. The fact that arvato is an ideal partner for them, even under difficult conditions, is evident from the takeover of a site in the context of cooperation with Telefónica Germany.

Background situation After the insolvency of its long-time partner ComBase, Telefónica Germany was looking for a new partner to handle its **forward and reverse logistics** at its existing site at Karlstein (near Frankfurt). The requirements: no interruption of operations, no disruption of day-to-day business and no sensitive changes in personnel structure.

In addition, the logjam experienced in recent investment activity meant that the site required modernization. Accordingly, it was important not only to be able to ship up to 12,000 packages per day (mobile telephones, netbooks, smartphones, routers, point-of-sale materials, etc.) to end customers and to serve more than 950 O₂ shops and service partners, but also to make the relevant processes **more transparent and efficient** over the long term. ↘

»The modernization of the site has allowed us to benefit from state-of-the-art, highly efficient infrastructure that provides optimal support for our processes.«

Oliver Maasberg

Manager Logistics at Telefónica Germany

Solution The site takeover became the story of a turnaround: As regular operations continued, arvato was able – thanks to new technology, streamlined processes and customized IT solutions – to optimize warehouse processes and the flow of goods on a sustained basis, thereby securing the long-term competitive position of this site for Telefónica Germany. The result: a state-of-the-art site that is now exclusively the company's logistics center for all relevant B2B and B2C channels.

In all, arvato invested a figure in the high one-digit million euros range in warehouse renovations and modern automation technology, and put in place **new structures and sophisticated IT systems**. It implemented the highest safety standards and cutting-edge safety systems. Following the principle of »goods to customer,« the four-step order-picking process was replaced by a one-step technique. This made it possible to lower error rates, process orders more quickly and substantially increase productivity. Crucial to these efforts was a **holistic approach** that was indispensable for optimizing all aspects of the supply chain. Both forward and reverse logistics were transferred to an SAP platform developed in-house.

With the help of a newly created Web portal that is linked to the SAP platform, Telefónica Germany dealers and call centers are now able to provide notification of repair orders **directly, efficiently and cost-effectively**. Thanks to the highly integrated end-to-end solution, processes have not only been streamlined, but they are also safer and more transparent for all concerned. With the artis transport information system, developed by arvato, Telefónica Germany can now access the best possible appropriate transport solution.

Customer benefits During the first year of cooperation with arvato, Telefónica Germany had already begun to reap the benefits of modernization and restructuring: processes have become considerably more productive and transparent. Customer inquiries and orders can now be handled more quickly and appropriately, leading to greater customer satisfaction. Thanks to arvato's optimal handling of all B2B and B2C channels, Telefónica Germany has been able to strengthen its market position, also cutting costs throughout its process chain.

Our services

- Infrastructure throughout Europe for forward and reverse logistics, including repair management.
- Provisioning of Europe-wide infrastructure for forward and reverse logistics.
- Highly integrated end-to-end IT solution for linking all process participants.
- Relationship and contract management for service partners.
- Efficient transport management.
- Establishing and ensuring a consistent level of service.
- Letter-shop services.
- End-customer and B2B hotline.