

# PRESS RELEASE

Up to 25% Increase in Net Storage Capacity – Quick and Easy

# When Space is at a Premium in your Warehouse: W2MO Warehouse Capacity Optimization

**Munich, February 23, 2023** – With the W2MO warehouse capacity optimization, <u>Logivations</u> is presenting a new AI algorithm with which capacity has been significantly enhanced in 25 warehouses already - without investing in building expansions.

## Focus of the new development: Optimum usage of existing storage space

The ongoing disruptions in many supply chains are leading to higher stockpiling - and thus to a constantly growing need for storage capacity. This can be achieved by new construction and expansion of storage areas. However, a more economical way is to make better usage of existing storage areas by structuring them in such a way that they can be optimally loaded. Tracks, storage elements and bins must be dimensioned and arranged differently. Scope for optimization overall is enough: Typically, less than 50% of a warehouse's space is actually used to store goods.

## Increase in net storage capacity by up to 25% - quick and easy

Nowadays, the warehouse structure in practically all facilities is chosen according to a certain logic and system - but it is not subjected to a complex optimization algorithm. When using the W2MO warehouse capacity optimization, there is an overall increase in net storage capacity of 6 - 25%. In a medium warehouse with e.g. 5,000 storage locations this means over 1,000 additional storage spaces. Based on the typical "overnight costs" of a pallet of €3, this results in potential cost savings of € 3,000 per day - and over € 1 million per year!

Putting savings into practice in a bulk warehouse (regardless whether inside or outside) is very simple: adapt floor markings and define storage locations differently in the WMS.

#### Successfully in practical use for more than 2 years

The W2MO warehouse capacity optimization is based on modern AI algorithms. First, the optimal bin sizes for each product are determined according to demand behavior and other product properties. Then these bins are optimally arranged in the warehouse - think of the Tetris game. The result is: Best possible usage of storage facilities and significant increase in storage capacity.

The W2MO warehouse capacity optimization has now been in practical use for more than 2 years and is mainly in use to optimize bulk storage in the beverage and construction industries. Always with a significant increase in storage capacity! With the web-based planning and optimization tool W2MO can not only the storage capacity be increased - other measures to increase efficiency are also supported.



The Fürstenfeldbruck location of Coca Cola Europacific Partners is the 25th location where this process was used by Logivations - again with outstanding results. Markus Achenbach, Manager Warehouse National at Coca Cola Europacific Partners, is also enthusiastic: "With the help of W2MO, warehouse performance was increased by building a digital twin, simulating scenarios and evaluating potential improvements. This resulted in an 11% increase in net warehouse capacity and a reduction in the number of employees. We are very satisfied with these results and our cooperation."

Get to know Logivations at the LogiMAT 2023 in Stuttgart, Hall 8, Booth F05 (April 25 - 27, 2023): Experienced consultants will be happy to answer any questions you may have about W2MO warehouse capacity optimization and other product highlights!

(Request a file copy or link for publication)

#### **About Logivations:**

Logivations is an international consulting and technology provider with headquarters in Munich. We develop innovative solutions based on advanced AI and optimization technologies, as well as "Deep Vision and Robotics". With these powerful tools, companies can plan holistically and optimize all aspects of their logistics under the motto "Design by efficiency". Our software solution W2MO is globally leading in design, 3D- and VR simulation, optimization, evaluation of supply chain processes, and warehouse and production logistics. Already more than 30.000 professional users worldwide use W2MO directly from the cloud or locally installed. <a href="https://www.logivations.com/en/index.php">https://www.logivations.com/en/index.php</a>

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# Image material:



Image 1: W2MO warehouse capacity optimization: Digital Twin (source Logivations)