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Brussels: Bosch has received the ELA Award 2018 “Project of the year” from the European Logistics Association. The award was presented during a gala evening in Brussels on June 7, 2018. Bosch had already received Germany’s national logistics award from BVL, the country’s logistics federation, at the end of 2017.



A cross-company approach with exemplary consistency is what set this year’s award-winning Bosch project apart. Instead of optimizing individual segments of the supply chain, logistics at Bosch has undergone a fundamental transformation: in four years, it has taken on a new role within the company and achieved impressive results based on total cost of ownership (TCO) – all under the banner of “Striving for supply chain excellence.” In this way, Bosch logistics also plays a major part in the company’s wider transformation process, the focal point of which is increasing IoT connectivity. Like no other company, Bosch has expertise in the “3 S’s” essential for success with the IoT: sensors, software, and services.

Bosch simultaneously transformed and realigned all four segments – transport, warehousing, packaging, and foreign trade – both individually and also in the way they interact. The company’s business models are extremely heterogeneous, covering goods and services in some 100 countries with 20,000 direct active suppliers, 270 manufacturing plants, 800 warehouse locations, and a quarter of a million customers. The spectrum of products and services ranges from the OEM business to consumer goods. Using supply chain network design (SCND), Bosch developed an integrated

logistics approach for all of them, redesigning each individual segment with regards to organization, responsibilities, methods, processes, and IT.

“Network design helps analyze and optimize entire supply chains, and it’s an approach that not only works with existing supply chains but is also applicable for the product development process,” explains Prof. Stefan Asenkerschbaumer, deputy chairman of the board of management of Robert Bosch GmbH, who is also responsible for the corporate sector for purchasing and logistics.

The measurable result: “The required change process would have been unthinkable without the expertise and the effort of our 25,000 logistics specialists from around the world. Our common objective of moving away from occasional improvements in individual processes towards integrated change and responsibility in logistics has proven to be a success. Logistics costs have decreased by some 15 percent worldwide for Bosch,” says Andreas Reutter, member of the executive management of Robert Bosch GmbH corporate sector for purchasing and logistics.

Examples from the four segments:

Transport: Bosch optimized its network before issuing transport orders to their service providers. Responsibility for design, planning, and operations was assigned to a regional Bosch unit. Transport costs fell by 20 percent.

Warehousing: As part of a worldwide footprint analysis, Bosch cut the number of warehouses by about 100. Warehousing costs fell by 15 percent.

Packaging: Standardized processes have been developed and applied and the number of variants reduced. Implementing these measures has lowered costs by 20 percent.

Foreign trade: IT was further harmonized and corporate logistics simplified the organization of foreign trade activities for the regions. Customs costs are down 5 percent, and the company expects them to fall by another 5 percent.

According to the high-ranking international jury members, the award-winning project is innovative in the interplay of two developments: With the cross-company approach, logistics at Bosch has become a creative force within the company and thus contributes significantly to digitization and innovation in RB.