swisslog

Case Study

Swisslog: Reaching New Heights with Tacton

Swedish company Accalon, (now Swisslog) is one of Tacton's longest-standing customers. When the company first contacted Tacton back in 2003, it was looking for a way to streamline its quoting process. The manufacturer of warehouse and distribution systems was already serving some of the world's largest companies, but the manual effort and time involved in preparing customer quotes were hindering growth plans.

"Tacton is the most important sales tool we have. It is easy, fast and we can't work without it!"

- Martin Björklund, Swisslog

Today, over a decade later, Swisslog still relies on Tacton CPQ for timely and accurate quotations. With a global customer base that includes the likes of Walmart, Coca Cola and IKEA, the company recognizes the role the solution has played in its success.

A product that pushes the boundaries of configuration

Swisslog uses Tacton CPQ for its stacker crane business and is heavily dependent on it. Martin Björklund, who is responsible for the company's sales tools explains, *"Every crane is different. Over the last 30 years, we have delivered approximately 800 projects with over 3,000 cranes, and no two projects have ever had the same crane size and specification."*

He continues, *"These are highly complex products. There are a lot of components and assemblies that need to be configured correctly based on a crane's height and loading requirements. For each customer request, we also need to calculate the correct size of the horizontal and vertical motors as well as ensuring the stability and structural capabilities of the cranes. These are heavy calculations. We know we are pushing the boundaries of configuration, but fortunately for us, Tacton can handle it."*

Taking the manual work out of quoting

Prior to Tacton, Swisslog worked out the specification for the cranes manually using MS Excel and Mathcad.

Martin gives an example of a customer ordering a solution with 14 cranes, all with different heights and specifications. *"If we were to specify the cranes manually, it would take our engineers four hours to work out the specs for each crane. Multiply that by 14 and you have a lot of man-hours and a lot of repetitive work. With Tacton, we are able to configure each crane in about 10 minutes instead of calculating everything from scratch 14 times. This saves an awful lot of engineering time."*

Swisslog sales reps can now produce budget quotations without any involvement from the product experts. This is a real competitive advantage. When the Tacton sales configuration is complete, about 80% of the products can go straight to production. The remaining 20% still needs some additional design work before being released to the shop floor, but the benefits are clear.

Managing change orders

Martin goes on to explain that the tool really comes into its own when a customer requests changes. *"It's quite common that requirements change during the course of a project. Building specs are altered, customers realize that loading requirements are different from what they originally specified. Within a project, there can be hundreds of revisions. Before Tacton, we would need to start from scratch and run*

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all the calculations again from the beginning. Now we just need to adjust one aspect of the configuration. This saves us an enormous amount of time and effort."

The case for an upgrade

In 2014, when Swisslog was acquired by KUKA Group, there were concerns amongst the users that they would not get to keep their Tacton CPQ solution.

However, in 2015 when the budget was needed for an upgrade, Martin Björklund went directly to the sales team for input. He says, *"We wanted ammunition to make the case to management for the investment."*

The message that came back from the users was clear –*"Tacton is the most important sales tool we have. It is easy, fast and we can't work without it!"*

At that point in time, Swisslog had effectively been running the tool themselves for seven years. *"There was a long time following the initial implementation when we didn't have much interaction with Tacton. The product was simply ticking over, doing what we wanted it to do. It wasn't until we re-initiated the contact that we realized the importance of an ongoing collaboration."*

A close partnership takes the solution to the next level

Swisslog now attends workshops with Tacton each year to maximize the value it gets from the investment. Martin explains, *"The product moves forward both technically and functionally. Our latest upgrade was a big step forward that opened up new possibilities and also allowed us to standardize bespoke functionality. The Tacton consultants understand our business well and bring a lot of experience from other projects where they've encountered similar issues."*

At the same time, Martin stresses that it takes a good supplier-client partnership to make it a success. *"While Tacton brings a wealth of solution and modeling expertise to the table, due to the complexity of our products, we still need to work very closely alongside each other to deliver a complete solution."*

Future plans

There are a lot of ideas for how Swisslog can move forward with Tacton. Martin shares some of his thoughts on this, *"We are currently in the process of adding several new products into the configurator. However, to really move things to the next level, we're also hoping to get to a stage where we are configuring entire projects, not just the individual products that make up the solution. A typical project for us might include six stacker cranes and a large conveyor system to go along with that. While this increases complexity, the value to us as a business would be very significant."* The company is also looking at bringing in Tacton's Design Automation capabilities.

Advice and recommendations

When asked what he would advise any company wanting to embark on a similar project, Martin says, *"Just do it! But it is important to be aware that the modeling in Tacton is only a small part of the project. As with so many IT projects, it is the gathering of high-quality data that is the hardest and most time-consuming part. Product and pricing information, rules and constraints all need validation. You cannot cheat here, but in the end, it's absolutely worth the effort."*

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About Tacton

Tacton is a leading SaaS company trusted by global manufacturers. Tacton Trusted Configuration simplifies sales for manufacturers of complex products. Tacton's Configure, Price, Quote software is named a Visionary by Gartner in the Magic Quadrant for CPQ Application Suites and is recognized for its advanced product configuration and visualization capabilities. Tacton's founders pioneered computer-based product configuration which today powers Tacton CPQ and CAD Design Automation. Since 1998, Tacton is trusted by global customers such as ABB, Daimler, MAN, Scania, Siemens, Xylem, and Yaskawa. It is co-headquartered in Chicago and Stockholm, with regional offices in Karlsruhe, Warsaw, and Tokyo.

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