

“PEOPLE DON’T JUST WANT A WASHER, THEY WANT TO BUY A SERVICE”

As companies around the world place more of an emphasis on IT, washer manufacturers Güde talk digitalisation, production and packaging with *Torque Magazine*...

Plettenberg-based washer manufacturer Güde, first started producing spring washers in 1936 before transitioning into a fully registered company in 1948, led by Wilhelm Güde. The company is an “A1” supplier within the fastener industry and produce safety washers, wire bended parts as well as screw and spindle fastening devices exclusively on self-made machines and toolings.

Like many other companies in the area, Güde is 100% family owned with no additional shareholders. The family-run company is now operating under its third generation, CEO Lutz Güde, who is surrounded by his parents both of which are still present within the company and his wife who works in the financial department of the business.

The large production site and administration buildings stand in a picturesque location overlooking the Plettenberg area and is surrounded by 2500 meters² of available field space for future building plans. With beautiful rolling hills and trees in all directions, it’s easy to see why the move to the new industrial area in 1990 took place.

As we were given an exclusive tour of the production facilities, one thing that stood out was the original condition of the machines. They featured the latest technologies in order to manufacture products efficiently and at a high standard, also thanks to the company’s own tool shop.

Some machines feature technology that enables them to work continuously for 24 hours without supervision in what CEO Lutz Güde refers to as ‘Geisterschichten’, or a ‘Ghost Shift’. The machines work to inspect the product. For example, any wire that is fed through is measured and checked for inconsistencies. If the dimensions are wrong or if inconsistencies are found in the product, the machine will instantly turn off. Lutz comments on the importance of this technology saying: “We need the latest technology to be competitive when it comes to pricing and to ship products with the highest quality standard.”

From 2012 to 2018, the company grew considerably as it saw an increase of roughly 60% in terms of location size. Additionally, Güde currently has six handicapped employees working in the shipping and packaging departments are among nearly 10% of the company. These employees make up a large number of people working in the departments that focus on packaging and shipping of the products. This is an integral part of the business as Güde sees up to 140 pallets of products shipped to its customers every day.

Güde also has a turnover of around 19 million euros and 2.5 billion sold pieces as of 2019. Lutz thanked the customers for the exponential growth seen over the last few years, saying: “When our customers grow, they take us with them.”

Europe remains the major market for Güde alongside their investment into supplying to the US in 2014. Güde’s key sectors include rail and energy as the company produces a variety of spring washers, locking washers and PAL nuts that are supplied to these industries. As Germany experiences the decade of the railway, as noted by Germany’s Transportation Minister who outlined upgrades to tracks, bridges and carriages with an 86 billion euro investment in early 2020, Güde will continue to be a major player within this industry and will no doubt play an integral role in this project in the near future.

Additionally, supplying directly to wholesalers and distributors, Güde’s manufacturing abilities and packaging options remain at the forefront of the business. Furthermore, the company always has a large raw-material stock to ensure the availability of its products.

Offering individual packaging solutions is a main focus at Güde and something the company prides itself on as Lutz explains: “People don’t just want to buy a washer, they want to buy a service. It’s getting more and more common to calculate on the Total Cost of Ownership (TCO), rather than just comparing prices.”

Güde’s large production site overlooks the surrounding Plettenberg area



// When our customers grow, they take us with them. //





70% of Güde clients have their own individual packaging options

As 70% of Güde clients have their own individual options and are trading companies, Güde is able to put into practice its state-of-the-art machinery. The department ensures that packaging of products is as customer specific as possible by allowing items to be boxed in the customers chosen individual option with desired quantities.

In connection with Güde's special label solutions, the customer's specific label can also be applied to the packaging. This enables the production line to be more streamlined as it avoids multiple unnecessary packaging processes and thus, the total procurement costs are reduced. Combining the packing and stock possibilities, Güde guarantees a minimum lead time.

Furthermore, in today's world, companies have had to place more of an emphasis on the IT side of the business and ensure they remain up to date with the latest and most efficient technology. This move towards a more digital workplace has been a focus for Güde in recent years and is reflected in the extensive IT programmes used throughout the company, such as extremely lean and always tracked processes. Continuously working towards 'lean logistics', IT services began to develop in the business through the use of barcode solutions which are used in all Güde logistic processes. Not only does a modern IT system react faster but by diminishing human error, it improves reliability and accuracy.

In addition, the company also use an EDI system (electronic data interchange) which aims to enable a more efficient communication path between the company and its customers as it allows them to communicate information electronically from anywhere in the world including purchase orders, invoices and shipping notification. When discussing the company's system and digitalisation, Lutz says: "With so many barcodes and online programmes used at Güde, we are more like an IT company with additional production." The first step was made in 2006, as Güde was praised for its up-to-date EDI-connection by the German federal ministry of economy and technology for the project 'processes and standards in the ebusiness'.

As shows across the world begin to prepare for a more 'normal' 2021, the staff at Güde and the famous Mr Bert look forward to traveling and showcasing the exciting work happening at Güde in the coming year.

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