

From Hoppegarten to Neuss

# Changing the inbound delivery hub for SOFACOMPANY

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#### Summary

## Short distances save time and CO<sub>2</sub>

Rhenus Home Delivery has managed to change the inbound delivery hub for SOFACOMPANY because the firm has moved its warehouse to Belgium.

### Sustainable transport services

Neuss instead of Hoppegarten: by changing the inbound delivery base for its incoming goods, the Danish designer furniture firm, SOFACOMPANY, has saved more than 425,000 kilometres in journeys since 2023.

That protects the climate as well as reducing journey times and fuel costs.

425,000 fewer kilometres

70 percent savings in driving distance

7 sets of incoming goods per week



Solution

### Making it easy to change the hub

Rhenus Home Delivery switched operations from its central warehouse in Hoppegarten to Neuss within the set time to enable similar fast deliveries of goods for its client, SOFACOMPANY, after the latter moved its warehouse from Korsør in Denmark to Ghent in Belgium. The move took place after a great deal of preparation work and involved adapting the interfaces as well as providing operational connectivity.

### Neuss enables flexible inbound delivery times

When selecting the new supply point, the Scandinavian company placed great import-

ance on ensuring adequate capacity for its planned growth during the next few years. Having its central warehouse in Neuss can satisfy these criteria just as well as at the hub in Hoppegarten. Neuss has also proved attractive for SOFACOMPANY, however, because its goods arrive at the Western European ports – and Neuss is situated in the western part of Germany.

Rhenus Home Delivery is adapting to the needs of its client in the home & living sector and, as far as possible, is responding to changes in the general conditions in a flexible way. Seasonal and economic fluctuations in order volumes placed with SOFACOMPANY, for example, can be ideally handled at Neuss because deliveries are possible beyond the regular slots, thanks to using a swap body concept.

### A long-standing partnership

The Danish furniture design enterprise, SOFACOMPANY, was founded in 2012. As SOFACOMPANY is keen to promote sustainability, it does not keep any unnecessary quantities of products at its own warehouse or in its own showrooms. It focuses on being able to design furniture items in an individual way for its customers. Production only takes place after an order has been received.

#### From Denmark to Hoppegarten

The working relationship with the last-mile specialist, Rhenus Home Delivery, started in 2016. The logistics service provider has been handling the delivery of furniture items such as sofas, coffee tables or armchairs to destinations across Germany since then – and its services include disposing of the packaging.

If the customer so wishes, the furniture items are also assembled. As SOFACOMPANY's main warehouse was initially located in Korsør in Denmark, any goods that were ordered were first sent to Rhenus Home Delivery's central warehouse in Hoppegarten near Berlin and then transported to the customer's home region from there – including the final delivery.

### 2016 start of the relationship



The goal

#### to save hundreds of thousands of kilometres

The furniture provider decided to move its warehouse to Ghent in 2021. As most of the furniture items, which are manufactured in Vietnam, arrive in Belgium as maritime freight, any further handling in Hoppegarten would be time-consuming, cause extra journeys and incur significant costs. The route from Ghent to Hoppegarten involves a distance of approximately 820 kilometres. As sets of incoming goods for SOFACOMPANY arrive on average more than 370 times a year, trucks have to travel 611,000 kilometres overall on the return journeys. Discounting any diversions and rest periods, this represents journey times of 186 days per year. This was a good reason for Rhenus Home Delivery to draw up a more sensible concept for its client – both ecologically and economically.

### Preparations for the move

The specific planning work for the move started in the summer of 2022. Following a preparation phase lasting about six months, in which the data interface and processes were adapted, the change for deliveries took place on the key date of 15 January 2023. The operational handling of orders continued through Hoppegarten as normal during the preparation work and until the move took place.

#### Good infrastructure

Thanks to being ideally located near the Belgian/Dutch/German border and having adequate capacity, Rhenus Home Delivery offered SOFACOMPANY the opportunity of using Neuss as its new inbound hub. The logistics expert has had one of its three central warehouses there, alongside Hoppegarten and Niederaula, since 2022. The cross-docking warehouse is a first-class facility with its short internal distances and 75 loading gates. The site also has 17,000 square metres of paved storage space available. The central warehouse is located right next to the Neuss-Süd junction on the A46 and A57 motorways and therefore provides ideal infrastructure for transport services.

### 70 percent savings in journeys

Instead of a return journey of approximately 1,640 kilometres from the SOFACOMPANY'S warehouse in Ghent to Hoppegarten and back for a single set of incoming goods, the route has now been reduced to 500 kilometres. This represents savings potential of 70 percent and therefore creates a far lower carbon footprint. This is just one aspect that matches the values of the climate-neutral manufacturer, SOFACOMPANY.









### **Enabling growth**

The success story enjoyed by SOFACOMPANY is not least reflected in the growing number of incoming orders. While the annual quantity of orders was still in the low four-digit range at the start of the collaboration with Rhenus Home Delivery, it already doubled in the following year and reached almost five-digit figures in 2023. The furniture manufacturer is aiming to continue to achieve double-digit growth during the next few years. The central warehouse in Neuss provides the necessary transhipment capacity for this in order to be able to handle even larger quantities.

### A separate solution for returned goods

Based on the good, long-standing client relationship, Rhenus Home Delivery is enabling SOFACOMPANY to continue managing its returned goods at Hoppegarten. This is because the second-tier user of SOFACOMPANY'S returned furniture items, which offers them for resale, currently has its headquarters in Berlin. The opportunity of using two different central warehouses is not a standard service; however, it was important for Rhenus Home Delivery to be able to offer particularly short distances to SOFACOMPANY here too.

#### Geared for low and peak seasons

SOFACOMPANY placed great importance on having a high level of flexibility in managing its incoming goods. The furniture sector is not only subject to the general economic fluctuations, but is also a seasonal business. It is true that furniture design manufacturers deliberately do not participate in unique sales events such as Black Friday for sustainability reasons, but low and peak seasons do affect the volume of shipments. When many new catalogues appear in autumn, the volume of orders for sofas, tables and armchairs increases significantly. This means that the logistics specialist has to be able to handle and deliver increasing quantities just as professionally as regular volumes of shipments.

### A flexible swap body concept

SOFACOMPANY makes use of seven sets of incoming goods every week on average during the year, but the precise number fluctuates, depending on the season. It is therefore important for the furniture provider that its logistics partner is able to respond to the actual number of orders quickly and easily – outside the regular inbound delivery time slots too. This is exactly what is possible in Neuss, thanks to the extensive covered area that is available there.

After providing notification, SOFACOMPANY can park its swap bodies at the site at a protected area and can immediately remove empty swap bodies again – even outside the agreed slots. Even if there are any delays caused by traffic jams or accidents, the drivers do not have to wait. Rhenus Home Delivery handles the incoming goods as soon as there is a free time slot for this work.



We appreciate the flexibility at Rhenus Home Delivery. The last-mile specialist adapted to our warehouse move by adopting a solution-oriented approach. We're continuing to have sustainable transport operations and can save enormous amounts of  $CO_2$  every year.

Marco Steinkrüger Logistics Manager DACH SOFACOMPANY

### Why Rhenus?

Rhenus Home Delivery is well-known as a reliable logistics specialist and is the epitome of quality and sustainability, just as we are. Its excellent network and the growth opportunities played an important role too.

We view ourselves as a reliable partner and adapt to changes in requirements to satisfy our clients' needs as flexibly as possible. SOFACOMPANY's move is just one example of this.

Hendrik Below Account Manager Rhenus Home Delivery RHE DELIVERY

Who we are

### Rhenus Home Delivery – Europe's market leader for home & living logistics

Rhenus Home Delivery is the European market leader and specialist for supplying last-mile deliveries to customers in the home & living sector. Its extensive services include flexible deliveries to the point of use, arranging delivery dates online, providing notification, assembly and installation, removing packaging as well as disposing of old units. Large and heavy products are transported using 2-man handling, while smaller shipments are delivered using 1-man handling. Approx. 100 Business sites across Europe Approx. 2,000 Dedicated employees Approx. EUR 430 million Annual turnover



### Together with passion

Hendrik Below Account Manager Rhenus Home Delivery

Mobil: +49 (0)170 7618 824

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