

# BIG

## in tailor-made supply solutions for distributors

Over recent years Fastbolt has placed increasing emphasis on being a specialist. A discussion with Ekkehard Beermann, Fastbolt group managing director, and Graham Joyce, managing director of the UK operation, demonstrates that the approach may not be new but it is fundamental to both customers and suppliers, and to the continued development of their business.

Fastbolt was established 23 years ago in the UK by now Chairman, Heinz Storch who in 1993 returned to Germany and set up Fastbolt Schraubengrosshandels GmbH in Gronau. From the outset, key business philosophies were remarkably clearly defined. The company would supply exclusively to distribution - a policy that has not varied since. Product would be sourced from competitive, quality assured manufacturers across the world, in particular by developing strong relationships in Asia. The focus would be on defined ranges, stocked in depth and across a full spectrum of sizes.

These formative decisions represented a blend of conscious planning and instinctual entrepreneurship. They emanated particularly from a focus on strong long-term profitability - a fundamental commercial need about which Fastbolt has never been ashamed. None of the choices represented an easy route; turning down short term sales to establish a clear

integrity with the target distributor market; investing time and extensive travel in locating the right sources; building the physical capacity and investing in intensive stockholding. All bear witness



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to a farsightedness that has underpinned the development of this business.

The first product introduced was Unified high tensile bolts and setscrews - a specialist range in which Fastbolt has long since developed an unparalleled European leadership. Subsequent product introductions - Metric high tensile, self-tapping screws, thread-forming screws for metals and plastics, machine screws, self-drilling screws - adhered to the same core principles. Each range reinforced Fastbolt's role as a service-focused surrogate to

European manufacturing. Over recent years the emphasis has been on further strengthening of Fastbolt's competence in small screws: making the company "BIG in small screws". The programme, still with several phases to go, has been a combination of outright new introductions and major range extensions and upgrades. New ranges included light and heavy-duty cladding drilling screws taking Fastbolt firmly into the construction fixings sector. Plasfast 30 screws for soft thermosetting plastics complimented existing Plasfast 60 and Tritap threadforming products. Throughout the

screws. The latter also has now has a square drive option. Additional head styles, dimensions and finishes also mean that Fastbolt can reasonably claim the most intensive stock of self tapping screws in Europe. "It is not only the variety in the range," says Graham Joyce, "it is also the competence in the product. Take self drilling screws - meeting the requirements of the European market means paying close attention from the original sourcing of the product right through to packaging. It's a range, for example, we would not currently source in China because no manufacturer has yet demonstrated the capability of producing screws that will perform to our requirements." He's a man who should know - having just returned from his fifty-first Far Eastern sourcing trip on behalf of Fastbolt.

An integral part of the Fastbolt sourcing ethos is integrity - a solid reputation throughout the Far East, initiated originally by Heinz Storch and delivered by what adds up to well in excess of two years of Graham Joyce's





life travelling Asia, evaluating factories, negotiating and above all forging enduring relationships.

"Things in China change extraordinarily quickly, though," emphasises Ekkehard Beermann, "and even two or three week visits every four months are no longer adequate. We now need to be 'on the ground', close to the situation." As a result Fastbolt has established a new subsidiary, effectively a wholly owned trading company offering products and services to the group, in Pudong, Shanghai. Establishing the initial Fastbolt China team has demanded extremely careful recruitment, followed by training in Europe, and close liaison with both Graham Joyce and Ekkehard Beermann during visits to China. Management systems include daily video conferencing.

"We're not interested in using Fastbolt China to chop and change suppliers for the odd percentage points," stresses Graham Joyce. "It is about responding to and effectively managing a rapidly changing supply market." One primary benefit will be far more effective use of both his and Ekkehard Beermann's time while in the Far East. The new operation will 'filter' new supply opportunities, carry out initial factory audits and prepare the way for the European directors to make final visits and decisions. Just as importantly, Fastbolt China is in the position to pick up changes and trends in the supply market as they happen. "Fastbolt China will rapidly become an integral and crucial element in our quality control process," explains Ekkehard Beermann. "It starts with the factory audit but in addition they will be carrying out sample and pre-shipment evaluation of new ranges or suppliers, and where necessary make factory visits to ensure correct management of changes that we require." It is all part of the benefit derived from 23 years specialising in long range importing.

To accommodate the additional dimension to Fastbolt's business the group has restructured, with a new holding company to which the

German, UK and now Chinese subsidiaries all report. Ekkehard Beermann, who takes on the role of group managing director, describes it as "a new structure that provides stability and flexibility to meet the future."

In Europe both Fastbolt operations occupy custom designed, high efficiency logistics facilities. Conversion to narrow aisle configuration in 1999 took the UK warehouse, long recognised as



Fastbolt UK warehouse at Milton Keynes

one of the most progressive in the country, to 5300 pallet spaces. The German warehouse, also built to a specific Fastbolt design, already has an 8000-pallet capacity and a fully automated packaging facility. A new extension houses manual packaging operations but is designed to adapt easily to become the loading area for further warehousing when required. Recent acquisition of adjacent land presents the opportunity for an additional high bay warehouse extension, which at a potential 28 metres in height would dwarf the current 12 metre high facility.

In 2000 Fastbolt introduced SAP systems technology throughout the company. Characteristically, the project was challenging - both in investment and complexity - but far-reaching in its effect. Ekkehard Beermann is clear that SAP has enabled Fastbolt to introduce crucial efficiency and service improvements and is now at the core of the group's ability to deliver a fully integrated support package to its customers. The SAP system has meant that all inventory management is now centralised in Gronau, under the management of a young



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team who have blended modern technical skills with Fastbolt's sourcing experience. Factory orders are all placed from Germany, although they may be for direct shipment to the UK or to the growing number of Fastbolt customers taking direct deliveries. Central orders are placed for the small screw ranges for shipment to Germany in bulk cases, where they are packed for both Fastbolt operations, and for external customers who have their own boxing requirements. Overall stock turn has improved, UK inventory reduced, and greater flexibility established to meet the availability requirements of customers wherever and wherever they are located.

emphasise. Rather, there is a genuine intent to develop a tailored service to meet the specific needs of the customer. "You cannot compare one customer to another," stresses Ekkehard Beermann. "The needs and requests of each are unique and the solution has to be equally distinctive. At one end of the scale we may help a small company to import an occasional container, making sure it is on time, and the correct value and quality, while continuing to fulfil his day-to-day requirements from the shelf. At the other end it can mean a highly experienced major company, whose own specialist commitment to servicing an OEM makes it



The Gronau warehouse now has major expansion potential

It would be wrong in one sense to describe the way Fastbolt has changed as evolutionary. That implies a reactive process and one of the company's strengths has been to take, often challenging, steps in anticipation of market trends. Nevertheless there is a strong adherence to longstanding core principles, which provide a touchstone for customers and suppliers alike. This integrity - of product, logistics and management - draws a wide spectrum of customer types to develop a close-knit relationship with Fastbolt. There is no formal 'menu' - as both Ekkehard Beermann and Graham Joyce are quick to

better for them to outsource their own supply chain management to Fastbolt. In between the variations are almost infinite."

The commonality is Fastbolt's capability, now stronger than ever, to manage the supply chain right back to the factory, to provide the security that comes from working with a true specialist, and to deliver real value to its customers. With a world supply environment that continues to demonstrate a malevolent volatility it is not hard to see how tangible benefits can accrue from a partnership with this accomplished specialist.