

Distribution & Logistics

Acquisition of new customers through our technical expertise

Technology leadership and a high level of dependability helped us to win new, prestigious customers in a challenging environment.

Key figures Distribution & Logistics

in CHF million

	2015	±	2014	2013
Third party sales	309.3	-3.1%	319.1	327.7
Sales growth comparable*		-4.0%		
Net sales	314.8	-3.4%	326.0	333.6
EBITDA	26.5	-21.4%	33.7	37.6
As a % of net sales	8.4		10.3	11.3
EBITA	18.8	-27.7%	26.0	29.2
As a % of net sales	6.0		8.0	8.8
Net operating assets	151.9	3.6%	146.6	145.7
Investments	1.6	-60.0%	4.0	2.7
Employees (FTE)	643	2.7%	626	608

* at constant exchange rates and on the same scope of consolidation

Cost savings passed on to customers

The significant appreciation of the Swiss franc had a big impact on the Distribution & Logistics segment, which does almost all its business in Switzerland. Distribution & Logistics reacted quickly to the new forex situation and adjusted its prices accordingly. Price concessions given immediately after the sudden shift in exchange rates were only partly offset in the second half of the year. The positive effect of lower sourcing prices due to the stronger franc was noticeable only after a time lag; that is, after all the goods purchased at the higher EUR/CHF rates had been depleted. Nevertheless, demand remained subdued, especially from customers in industrial sectors, growing only hesitantly as the year progressed. Sales amounted to CHF 309 million in the 2015 business year, which corresponds to a decline of 3.1% from the previous year. The first-time consolidation of Thomas Minder Holding AG had a positive effect, contributing 5.0% to segment sales.

Profitability stabilized during the second half

After the decline in the EBITA margin to 5.0% in the first half of 2015 due to exchange-rate turmoil and one-time effects (previous year: 8.6%), profitability stabilized during the course of the second half. With an EBITA margin of 6.0% (previous year: 8.0%) for the 2015 financial year as a whole, the segment's operating margin is satisfying for its sector considering the difficult market environment.



Dependable employees and modern, centralized distribution points ensure that customer orders in Switzerland can be delivered within one working day.

Distribution & Logistics segment

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Distribution & Logistics offers market-oriented product ranges (fastening technology, tools and architectural hardware) and innovative logistics solutions with significant customer benefit under the motto “fast, simple, reliable”. Under the SFS unimarket brand, Distribution & Logistics is a leading supplier and services partner for manufacturers, the skilled trades, construction companies, specialty retailers, wholesalers, and hardware & home improvement stores in Switzerland.

With its international procurement expertise and competent sales and service teams, SFS unimarket helps make every day a success for its customers. Customized logistics solutions can lower process costs significantly and thus play a key role in making customers more competitive.

SFS unimarket’s modern, economic logistics infrastructure allows it to deliver products quickly, reliably and efficiently.

Market position as a partner for specialized retailers strengthened

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In March of 2015, SFS acquired Thomas Minder Holding AG in a transaction that strengthened its position in the Swiss hardware wholesale and specialty retail markets. The centerpiece of the acquisition was Allchemet AG, a subsidiary that continues to operate independently within the SFS Group.

Allchemet is the leading provider of specialized hardware and tools for demanding professionals. Its products are sold through specialty retailers, suppliers of construction materials, and hardware and home improvement stores under well-known brands such as Technocraft, Alduro, Tedura, Tomworker and Tompower.

Technology leadership expanded with “M2M by SFS”

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In the spring of 2015, SFS presented its latest developments in the field of automated inventory management systems. These highly innovative solutions named “M2M by SFS”, are the result of several years of research and development. The acronym “M2M” stands for “machine to machine” and refers to the automated exchange of information between machines and handheld devices – in the case of “M2M by SFS”, to the flow of information between warehouse infrastructure, mobile devices and ERP systems.

The “M2M” product family includes the systematically refined and improved range of internationally acclaimed turnLOG® storage container solutions and other complementary systems, as well as three entirely new solutions introduced last year by SFS: reachLOG®, dropLOG® and toolLOG®. These products all share an impressive array of new features, such as smartphone, tablet and smartwatch connectivity as well as tracking and delivery notifications.

SFS has succeeded in lowering system costs with the launch of its latest generation of “M2M” products. Thanks to the low entry barriers, new target customer groups can profit from the advantages of its C class supply logistics system, which creates corresponding growth opportunities for SFS.

Thanks to the use of the logistics solutions, customers can further streamline their order processes, significantly reduce the processing cost of total merchandise management and increase the availability of products. This increases the competitiveness of customers.



Network of HandwerkStadt increased

Besides the comprehensive product range and technology leadership in the field of C class logistics, the segment's sales channels are tailored to differing customer needs, which is an important differentiator that sets it apart from the competition.

With the recent opening of new HandwerkStadt locations in Kriessern (SG) and Hinwil (ZH), the network of HandwerkStadt retail stores has increased to 27 in total. HandwerkStadt is positioned for impromptu demand and as a 24-hour pick-up point for professional customers from the skilled crafts and trade sectors, who are offered a wide range of professional tools, machines, fastening systems, architectural tools, personal protective equipment and chemotechnical products.

Exploitation of future potential

The focus in 2016 will be on the successful realization of the projects won, the acquisition of new customers and the further development of the opportunities offered by "M2M".

Experienced specialists provide competent advice and services at our 27 HandwerkStadt locations in direct communication with customers.



Technology leadership in the field of C class logistics sustained

The innovative “M2M solutions” are at the cutting edge in terms of sensor technology and wireless communication. The systems further allow the integration of third-party suppliers. This means customers can reap the proven benefits offered by SFS logistics systems, even with products sourced from third-party suppliers. This logical argument will allow SFS to set up alliances with partner companies to market these same processes and systems to strategic customers around the world.

Position in specialized retail and hardware and home improvement channels strengthened

In March 2015 SFS Group acquired Thomas Minder Holding AG. This transaction clearly strengthened SFS’s profile and product range, and its offering for specialized retailers as well as hardware and home improvement stores in Switzerland. The premium quality tools continue to be marketed to hardware specialty stores, suppliers of construction materials as well as hardware and home improvement stores by Allchemet AG. Integration is proceeding on schedule; Allchemet’s location in Hinwil has already been transformed into an attractive HandwerkStadt retail store.

Top performance of SFS unimarket acknowledged by customers

Georg Fischer Machining Solutions (GF) named SFS unimarket as one of its best supplier partners worldwide. SFS unimarket was recognized as one of the “Top 10 Suppliers 2015” out of the approximately 1,100 suppliers that were evaluated by the company. SFS is a long-standing partner of GF and offers supply chain solutions for C class items. SFS unimarket has implemented innovative logistics concepts at GF’s main manufacturing sites in Luterbach, Nidau, Langnau, Losone and Meyrin, all located in Switzerland. These logistics solutions have reduced process costs, optimized inventory levels and increased process reliability.