



## PRESS RELEASE

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### **The Berner Group launches European warehouse logistics offensive with investments of nearly €40 million**

- **Intraday deliveries in the Rhine-Ruhr metropolitan region through Berner's new European central warehouse of Berner in Kerkrade (NL)**
- **Investments at BTI headquarters in Ingelfingen**
- **Expansion of warehouse logistics for Eastern Europe in Braunau (Berner Austria)**

With investments amounting to just under €40 million, the Berner Group is launching a broad logistics offensive, thereby pushing ahead with its corporate transformation. The first step is the construction of a new European central warehouse in Kerkrade (NL) with which the B2B trading company will be able to supply its customers in BeNeLux and the Rhine-Ruhr metropolitan region much faster, with more products and better services. The aim is to serve customers on the same day (intraday). In addition, the Group is investing multi-million euro sums, both in the logistics infrastructure for Eastern Europe at its Braunau location and in new warehouse logistics at its subsidiary BTI in Ingelfingen, which specializes in professional clients from the construction sector.

With the groundbreaking ceremony for the new European central warehouse in Kerkrade on 28 May 2019, the Berner Group has reached another historic milestone in its transformation towards maximum customer centricity. "As a central partner for the procurement and use of materials for maintenance, repairs and production in the construction, mobility and industrial sectors, it is crucial to provide our customers with customized solutions and services at the right time. To this end, a consistently optimized warehouse logistics system with a European focus is of utmost importance," Christian Berner, CEO of the Berner Group, told 150 guests.

Creating this customer proximity means being able to supply Berner customers in 25 European countries within 24 hours – a goal for which Kerkrade is an ideal location and the new logistics center a decisive first step. "Being able to supply customers on the same day is becoming a decisive competitive factor in the digital age. We have thought beyond our established structures and plan to build up a super-fast, pan-European logistics network, enabling us to offer intraday delivery in all European metropolitan areas in the long term," said Christian Berner.

"With the help of the new logistics center in Kerkrade and a good local infrastructure, it will be possible not only to supply existing customers in Belgium, the Netherlands and Luxembourg, but also in the Rhine-Ruhr metropolitan region in Germany within just hours of placing an order. This region offers an additional population of more than 10 million and more than 60,000 businesses. The Berner Group is thus doubling its prior delivery radius and taking the first step towards a long-term logistics strategy across Europe," said Christoph Möltgen, who oversees logistics within the Berner Group's Executive Board.

Instead of carrying out a complex remodeling and expansion of the previous base in Landgraaf, the company has consciously decided to relocate, building a new facility in the center of Limburg province (NL). At the same time, the relocation is not only the best solution for the company, but also for employees: the relatively short distance to Landgraaf ensures that the existing team and their expertise can be used to further develop Berner logistics at the new location.

#### **Future growth potential**

The move will upgrade Kerkrade to the central warehouse of the Berner Group. The available floor space will increase from 7,000 m<sup>2</sup> in Landgraaf to 25,000 m<sup>2</sup> in Kerkrade, although an expansion to up to 40,000 m<sup>2</sup> is possible. At the same time, the number of items in stock will rise from 18,000 to 25,000. In addition, there will be 1,700 m<sup>2</sup> of office



space for more than 100 employees at the Dutch logistics base. Operations here are scheduled to be launched by autumn 2020 at the latest. The investment sum for the construction, to be completed in autumn 2020, is in the double-digit million euro range.

In addition, uniform logistics IT systems, processes and data will contribute to even better networking across Europe and the various locations. This will also ensure that products and services are delivered even faster and more flexibly to professional customers from the automotive, construction and industrial sectors in the long term, and is an important component of Berner's digitization strategy.

"Our 5,400 field sales representatives talk to our customers on a daily basis. The knowledge gained is helping us to become better every day. This applies not only to products and services, but also to our logistics offering. Our aim is to make our customers' lives easier. For us, this is practiced customer centricity. With the new logistics center in Kerkrade in combination with better systems and data, we are taking a huge step forward," said Christian Berner.

### **Benefits for the Hohenlohe region**

As part of its logistics offensive, the Berner Group will further strengthen regional locations. Major investments are also being planned in Künzelsau (Berner Germany) and Ingelfingen (BTI).

Berner Germany currently supplies all of Germany and Switzerland from Künzelsau. The 15,000 m<sup>2</sup> logistics center was built in 1988 and has been successively expanded over the years. Up to 10,000 parcel shipments and up to 200 pallet deliveries leave the extensive company complex on working days – from spare parts and chemical products to tools and personal safety equipment. After completion of the central warehouse in Kerkrade (NL), deliveries from Künzelsau will also be optimized, enabling significantly faster delivery processes here.

The venerable Ingelfingen company BTI Befestigungstechnik is also setting the course for the future. For example, the building trades specialist is modernizing its logistics center at the Ingelfingen location, where it will be investing several million euros. The new BTI logistics center will be built during ongoing operations, parallel to the existing facility. The new facility is expected to be ready for operation in July 2020.

In addition to the investment at the Ingelfingen location, BTI will open a further logistics location in Windischbuch near Boxberg in autumn 2019. A transshipment facility for insulation materials from the omni-channel company will be built there. Experienced BTI warehouse employees will then dispatch bulky items from the BTI product range from this location

### **Investments in Austria**

A further multi-million euro investment is being planned for the subsidiary Berner Austria in Braunau. Customers from Eastern Europe will be supplied from there. Here as well, the long-term goal is to integrate warehouse logistics into a pan-European logistics network in which IT systems and logistics processes are closely interlinked. The future advantages for customers are obvious: the number of deliverable products and services increases through faster deliveries – a decisive advantage in a highly competitive market.

Carsten Rumpf, COO of the Berner Group, puts it in a nutshell: "Particularly in the construction sector, speed is now more important than ever. A missing part can delay the entire construction progress and thus lead to substantial follow-up costs. Thanks to our new logistics plan, this concern is a thing of the past. Our customers can rest assured that they will receive urgently needed products or services on the same day if need be, enabling them to complete their projects on time."



## **The Berner Group**

The Berner Group is a family-run European commercial enterprise. Our vision is: “We keep the world together and moving.” This means we are the central B2B trading partner for all materials in the maintenance, repair, and production segments for our customers in the building, mobility, and industry sectors. With more than four channels we create an integrated omni-channel purchasing experience for our customers. In the steel and C materials as well as chemicals segments we are also an innovative manufacturer. We are represented in over 25 countries for our customers with more than 200,000 items and 8,200 employees.