

CIMCORP

21
sorting
robots
to Itella



Mail delivery reshaped by automation

The fall in letter volumes and the liberalizing of the postal markets led to Finland's Itella investing in the MultiPick system developed by Cimcorp.



Hannu Tuominen,
development director, Itella:

"The big plus compared with the competition is that MultiPick is able to alleviate peak situations in a rational manner."

Electricity travels from one continent to another in a matter of seconds. No wonder then that more and more often a letter travels via an IT network rather than inside an envelope. What's more, the EU is planning to open postal traffic to competition at the beginning of 2011.

Itella is responding to these challenges with a major investment of 160 million Euros, including mail-sorting automation systems for their mail centers supplied by Cimcorp and Siemens.

Hannu Tuominen, development director, justifies the corporate investment with sound arguments. "In the current situation and given the trends for the near future, the reshaping of mail sorting and logistics through automation was the only real solution."

The postal service law of Finland requires all companies that engage in postal services to deliver mail on the five weekdays. Services may be provided by any organization that fulfills the requirements of the law and possesses a license. However, the stringency of the license conditions has not been conducive to competition in mail delivery in a sparsely populated country like Finland.

In the new EU postal directive that comes into force in 2011, this requirement will no longer exist, which may well introduce competition in the sector.

MultiPick – adaptable for many applications

According to Tuominen, the decision to implement a major investment program is also a consequence of the fact that, after ten years of use, the current equipment and systems were nearing the end of their life cycle, and that the space at the sorting centers had become insufficient.

"This major investment includes the building of two completely new sorting centers at Kuopio and Oulu, and the expansion and refurbishment of the centers at Helsinki and Tampere. In each of the four locations new equipment and systems will be installed; letter sorting equipment equipped with optical reading and data systems, letter tray handling systems as well as parcel and bundle sorting equipment."

When the decision in principle was made to automate mail sorting, it was put out to tender to the key equipment and systems suppliers. The total logistical package put together by the Cimcorp and Siemens consortium proved the best and landed the contract for letter handling and storage systems.

"Automation is a new-generation solution, which not only brings cost savings and allows the development of services, but also reduces strenuous work stages



MultiPick means multi-benefits

MultiPick operates as a sorting and buffering storage at mail centers in mail acceptance, inward sorting and outward sorting of mail, and loading of transport units for distribution.

The robot sorts the trays arriving at the storage by group and process step, for instance according to physical size, by terminal, class, or zip code.

In addition to the speed and accuracy of the system, the mail trays can be fed flexibly in any sequence whatsoever. During peak periods, the robot can store incoming mail trays first in mixed stacks and only later sort them into the necessary stacks to await further processing.

Since the mail trays are pre-sequenced under the MultiPick robot, they can be transferred quickly onto dollies and delivery vehicles.

The operation of the system can be optimized by sending larger batches to the sorting areas, which in turn raises the handling capacity and reduces the time spent on final sweeping.



such as the moving of heavy trays by manual labor."

Tuominen praises the MultiPick system for its effective use of space, its flexibility, and ease of maintenance.

The pre-sorted blue letter trays move by conveyor from the letter-sorting equipment to the storage area, where a robot sorts them into product- or zip code-specific stacks.

When the floor acts as both a sorting area and buffer storage area, optimal mail throughput time is achieved. MultiPick transfers the ready stacks to the transport units and onward for loading into the delivery vehicles.

"The big plus compared with the competition is that MultiPick is able to alleviate peak situations in a rational manner. When there are a lot of incoming trays, the robot piles them up first in mixed stacks and only sorts the trays after the rush has died down. This means no bottlenecks are created for the mail sorting or distribution center. The competitors did not offer this kind of feature. Also, service procedures on one robot do not hold up the process, because the allocation of work between the robots can be altered smoothly."

Brand and business in great shape

In Finland, many customers know Itella better by the name Posti. However, as the company internationalized, it needed a new brand, something that works equally well in every language and in every business sector.

"We now operate in fifteen countries. In addition to Scandinavia and central Europe, by far our biggest area is Russia, where we have about 5 000 employees."

Tuominen sees logistical knowhow as the business of the future. "In Finland, the daily postal delivery service is our core business. Abroad, the majority of our operations are related to the logistics of goods transport, warehousing services, and electronic invoicing and documentation management."

In addition to traditional services, Itella is well prepared for the growth of online services. For example, many large corporations send their invoicing electronically to Itella, where the invoices are printed and forwarded to the recipients.

When competition opens up in a couple of years' time, the company will be more than ready for the new market situation. "The service provided by Posti in Finland is top class. Of course, we must also consider how to sustain this reliability and enhance it even further. Now we have made a significant investment in the future. The automation solution allows us to maintain the high quality of our operations, keep the cost of mail at a reasonable level and remain a strong player in this changing business," explains Tuominen.

Quite remarkable flexibility for an organization founded in the 17th century!

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Cimcorp's customers are companies in the field of production and distribution. The solutions provided by the company for the automation of logistics and production improve the profitability and competitive edge of their customers' businesses. Solutions are based on advanced robotic and software technologies and on highly developed service concepts. We have already supplied over 1,500 robotic systems for challenging applications in materials handling in over 30 countries.

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