



LAN&WAN controls in Itella

Itella Logistics, a company offering warehousing and transport services, is one of the Itella Group's main branches of business owned by the Finnish government.

This very fast developing service company providing the services connected with the transport logistics has just enlarged its building complex located on Palkkitie (name of the street) in the municipality of Tuusula, with its massive material flows managed by a system supplied by LAN&WAN.

Itella Logistics has warehouse

facilities with the total of over 60 000 square metres located in Palkkitie's three halls. The building process of the latest hall, D hall, is to be completed soon and there are three pleased men enjoying their morning coffee: Mr Seppo Kakko, Itella's supply manager, Mr Heikki Horn, Itella Group's security manager and Mr Eero Kaikkonen,

LAN&WAN's video surveillance sales manager. They all have something important to be told.

Quick builder

Mr Seppo Kakko takes the first floor by saying that Itella Logistics takes typically care of the material flow of such companies, which do not have warehouses of their own

in Finland. As an example of the several supplementary services can be mentioned sales packages, into which the articles are packaged and offered for the customers in the shops. The service can also, for example, consist of that Itella provides the product packages transported from Japan to Russia with the Russian use of instructions.

'In Finland we have warehouses of approximately 300 000 square metres located in the metropolitan area, in the City of Kotka, nearby the City of Lahti and in the built-up area of Toijala located in the City of Akaa. In all, we own more than one million building square metres in different countries, more than half of which located in Russia,' clarifies Mr Kakko.

The latest building project, this D hall in the municipality of Tuusula, was completed within about nine months. The demolition work of the old real estate was started last year in April, after which a modernised and much larger warehouse was built on this same place. According to Mr Kakko, Itella will start building a new warehouse, after the certain percentual amount of users has been reached.



The men behind the security system (from left to right): Mr Eero Kaikkonen (Sales manager, LAN&WAN), Itella men Mr Timo Suominen (Operative manager), Mr Seppo Kakko (Supply manager) and Mr Heikki Horn (Security manager).

'The customers prefer to have the services available as soon as possible. Our speed as a builder is based on the ready available building sites and high-standardised building methods. We offer both the multi-customer and the custom-made warehouses. The contracts can also be short-term contracts, from one year up to three years.'

Rapidity and flexibility are assets in the competition within the branch of business, in which Itella Logistics is competing heavily with the other operators.

Strictly defined security level

Mr Heikki Horn continues by saying that the high security level in the logistics services is more and more important, both as a sales asset and also for the management of the entire security process.

'The customers require a certain security level and many companies send their request for quotation only after examining first the security level of the potential companies. We joined the international TAPA Association (Transported Asset Protection Association) of the logistics security already in



Itella's logistics centre in the City of Vantaa.

2006 during the time when the name Finland Post Corporation, Suomen Posti Oyj, was still used. TAPA is an independent association, which will check the security arrangements of its members' certified objects every second year. This inspection includes the total of 73 items concerning all the essential issues connected with the security, from the technical structures up to recruitment of the personnel and work instructions, as well as from the planning of the building site up to the cost control.

According to Mr Horn, the instructions help the implementation of the building projects. The decision-makers of the business activities determine the wished security level for the real estates, which will then be implemented based on the certificate. When planning a new warehouse, it is enough that the planner will be provided with the ground plan and the requirements stated on the TAPA certificate. After this the planner is able to make a proposal for the security solutions of the object concerned.

The new hall was provided with the latest security solutions, for example with the completely IP-based surveillance cameras and recording devices.

'IP-based security solutions are easy to be integrated into the other networks. LAN&WAN is known for its expertise in the network technology, resulting in that after the competitive bidding it was chosen as a supplier for the whole security system. The previous systems of this real estate were updated and the new ones were created starting from the beginning. We are satisfied especially with their project management and with the fluent implementation of the contract with a tight schedule. In a project like this, there will always be some surprises and the project responsible persons must have, in addition to the technical expertise, also acumen and the overall view.'

Competent partners taking care of the project

The Itella case was a large challenge to LAN&WAN, due to the fact that the work needed to be implemented between November and February, in the middle of the peak-period of the material traffic. Mr Eero Kaikkonen describes the early stages of the project: 'My colleague responsible for the project, Mr Jarmo Virtanen, said to me in the very beginning that now both

of us are needed. Luckily, we got good partners into this project, for example Mirasys, which supplies network (video) recorders. I knew this company already from the end of the nineties, when we updated the surveillance recording devices of the post offices into the network (video) recorders.'

In this project, LAN&WAN used the most advanced equipment within this branch. For example, the number of Sony cameras, which were installed, was more than a hundred. The resolution of some of these cameras corresponds to the megapixel level.

LAN&WAN also supplied the WLAN truck picking system, which included more than 20 base stations. Tekninen Valvonta MK Ollikainen (a company providing the security systems, located in the City of Hyvinkää) took care of the installation work of the project as a subcontractor.

'All sub-factors in this project worked and cooperated exceptionally well, both the demands of Itella and our network expertise,' states Mr Kaikkonen pleased.

Mr Horn bobs his head and takes a sip of coffee made by him.

Text: Mr Pentti Niemi



Itella Logistics utilises the latest technology both in the warehouse picking and in the control.

Itella with three business groups

Late May in 2007 Finland Post Corporation (Suomen Posti Oyj) changed its name to Itella Corporation. A word Itella, which does not, per se, mean anything, sounded first a bit odd for the Finns. However, with the company's internationalisation the change of the name has been thanked for. It

would have been quite risky to offer services abroad with the brand name Suomen Posti (Finland Post). Itella Group is divided into three business groups. The turnover of the well over 1,7 thousand millions euros is divided by Itella Mail Communication (traditional post delivery) 46 per cent, Itella

Logistics 41 per cent and Itella Information 13 per cent. The share of the international business activities is approximately 30 per cent of the turnover.

Itella Logistics employs over 10 000 people in eight countries: In Finland, in other Nordic countries, in Russia and in the Baltic

countries. In August 2008 Itella bought the Russian logistics group NLC (National Logistic Company), which continues its business under the name ItellaNLC. The vision of Itella Logistics is to become the leading operator within the service logistics in the Northern Europe by the year 2012.