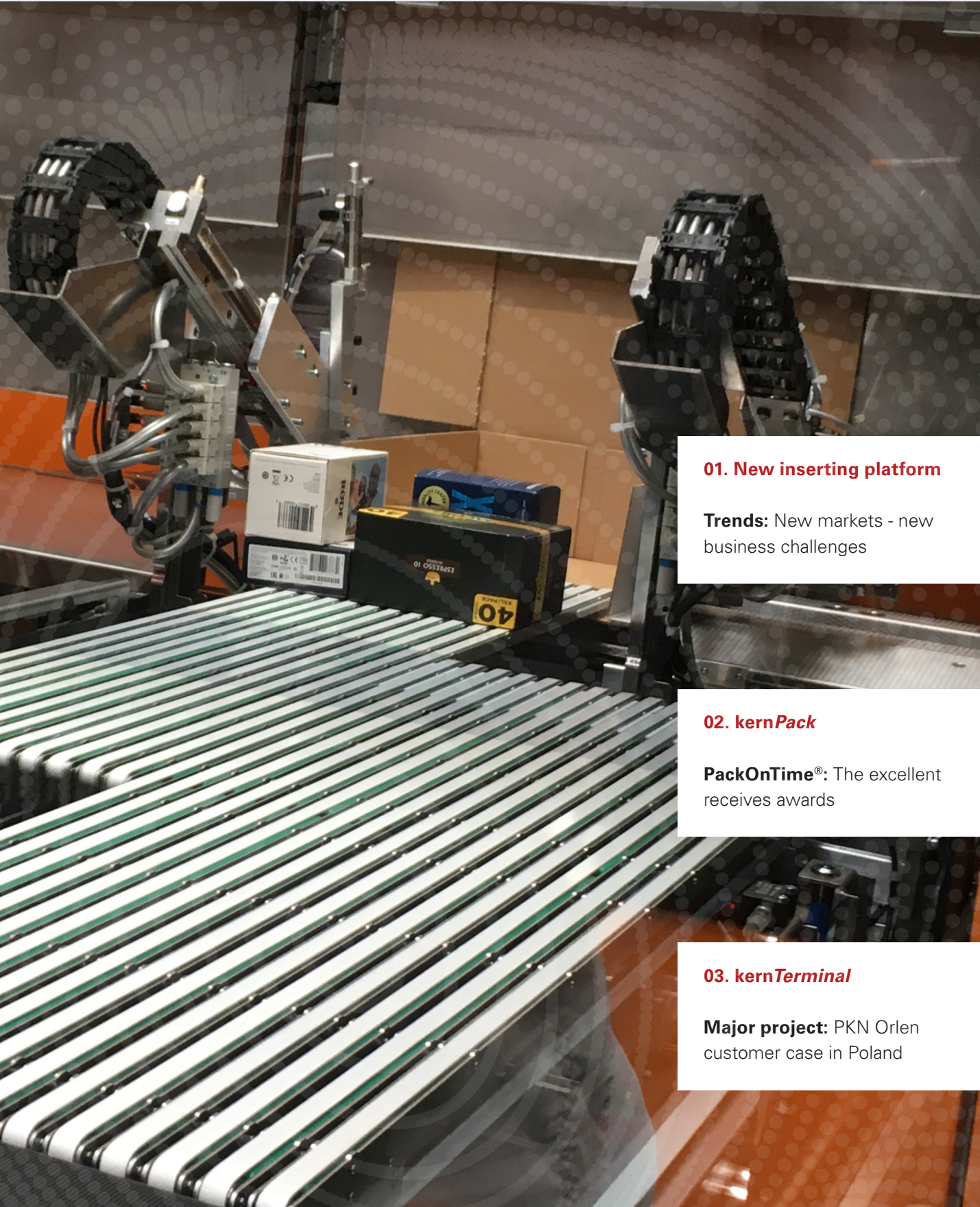


Issue 02/2021

The magazine of the Kern Group

best of kern



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Trends: New markets - new business challenges

02. kernPack

PackOnTime®: The excellent receives awards

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Major project: PKN Orlen customer case in Poland

Editorial



Dear readers,

A wealth of past experience gives us a reason to continue shaping the future with strength and confidence. Next year, our company can proudly celebrate its 75th anniversary. 75 years where our family has been responsible for the business. But equally as important is looking forwards to the future.

The core entrepreneurial mission is to secure the future of the company and, with it, its employment. All that has been overcome in the past, which brought enormous changes, gives us courage and strength to approach the future with self-confidence and a determination to continue to be a major influence in the market.

Succession arrangements have already been initiated.

As a medium-sized family business we are facing great challenges. For some years now, communication has increasingly shifted to digital channels, which has made a significant element of physical mail redundant. We are therefore confronted with the challenge of how we can continue to use our competences in a profitable way in this difficult environment. Our many years of technological experience also helps Kern AG to develop competitive solutions in the new world of e-commerce.

PackOnTime® and the aptly named Smart Terminals are part of this challenge. Intelligent deposit

lockers that are used for example, for deliveries or collections outside business hours. Financing such projects is also a major entrepreneurial endeavour. Accordingly, good relationships with banks that also identify with our market environment are important. To generate healthy, controlled growth, it is essential that we continue to meet customer needs with our product range.

With this in mind, I remain

A handwritten signature in blue ink, appearing to read 'Uli Kern'.

Uli Kern

President and Managing Director



Content

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“best of kern” also digital



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Professional conference & expo

DOXNET-Industry meeting place

The 23rd DOXNET Annual Conference & Exhibition has once again proven that it is a "must have" on the agenda of document professionals. With over 500 registrations, the expectations of the Executive Board were clearly exceeded.

The organisation was once again in top form and the quality and attractiveness of the industry meeting was not affected by the 803 day break. The interest in a real meeting after such a long time was clearly evident among the participants.

The chairman and Kern customer Udo Schäfer (ITERGO in Düsseldorf) almost looked speechless as he welcomed the audience: "The number of registrations had increased significantly in the last few weeks, so the relief was all the greater today that the enormous effort in the run-up had paid off". The exhibition grounds were also once again very well frequented. The companies presented themselves and their portfolios at their stands and were available to answer the trade fair visitors' questions. The Annual Conference ended with the General Members' Meeting. Nine members of the old Executive Board were re-elected: Gabriele Grosse (DOXNET), Daniela Kirsch (Artic

Paper), Stefan Hunkeler (Hunkeler AG), Christian Kempf (Atruvia), René Schumann (Canon), Udo Schäfer (ITERGO), Stefan Wagner (Compart), Axel Both (Datenpartner) and Rainer Rindfleisch (CEO Kern GmbH) are once again members of the Board of Directors. Martin Metzger (Allianz) and Steffen Baumann (DATEV) were newly elected.

The Kern exhibition stand has been an integral part of the event for many years. This year, Kern was also featured with a presentation delivered by Stefan Wüthrich, CEO of Kern AG. He welcomed many interested listeners to his presentation entitled "One Platform - One Company" in the very well attended conference room. He explained the group's strategy, identified challenges in the existing markets and presented various solutions. Inserting is and remains Kern's supreme discipline, but Kern has long since established an excellent reputation in the younger business segments as well. Overall, Kern is very well positioned in the face of a rapidly changing market (keyword: digitalisation).

www.doxnet.de



Steffen Baumann, Daniela Kirsch, Axel Both, Udo Schäfer, René Schumann, Gabriele Grosse, Stefan Hunkeler, Martin Metzger, Christian Kempf, Stefan Wagner, Rainer Rindfleisch

Quick and easy enveloping

New inserting platform.

New markets offer new opportunities

The economy is changing. Due to the consolidation of market participants, advancing digitalisation and the resulting new inserting volumes, applications are becoming smaller and more individual. Kern AG is taking these new customer needs into account and adapting its range of inserting systems to the changing market conditions.

With the Kern 1600 and the Kern 3200, two product lines were created that respond to the new market conditions and adapt seamlessly to the new needs and requirements of the customers.

Kern AG has analysed the market situation in detail, held intensive discussions with customers and developed a visionary and expandable system concept as a result. This platform concept

provides the customer with two different performance classes of inserting solutions with the Kern 1600 and Kern 3200 Series. The inserting systems were developed for the transactional market as well as for demanding direct marketing. They are designed for processing medium to high job volumes. These systems are multi-format capable - the simple and fast automatic envelope change is standard.



Based on customer requirements and planning, the customer can choose the optimum system with the ideal price-performance ratio from the various inserting system options. In addition, customers can book an upgrade at short notice in times of high-performance capacities, in the sense of "speed as a service" so that customers are even more flexible with their inserting system in terms of processing.

These masterpieces of technology and efficiency leave almost nothing to be desired by the customer. Inserting will be seen from a new perspective, modularity and productivity are in demand. If clients' needs should change, the existing inserting system can be quickly and easily adapted or expanded. The inserting systems are characterised by full compatibility with existing systems. The high performance and maximum ease of use,

fast changeover time as well as the simple intuitive operation from one side are further plus points.

The machines are highly stable and durable thanks to our renowned Swiss quality.





The countless operator benefits

All in one - the same operator interface is on both inserting platforms, which means a short introduction to the application. The employees can then be deployed to work on all systems without any problems.

Customers also benefit from professional and holistic services from a single source across all systems. This also means that customer requirements can be implemented quickly.

Kern Software Sphera

With the Sphera Software Suite, the system is fully integrated into the Kern product family. Kern in-

serting systems offer complete mail tracking with mailFactory®. For analytical purposes, data relevant to inserting is permanently

stored in a database so that reports can be generated later.

Product portfolio at a glance

Kern 1600

Particularly worth mentioning is the multi-channel capability, which is one of the plus points and allows for a wide range of application possibilities.

Kern 3200

These highly flexible, quick-change high-speed multi-format inserting systems have two envelope feeders for fast changeover.

Kern 3600

The high-performance inserting system offers easy operation, great flexibility and very high performance.



Atruvia AG: machinery equipment quickly and comfortably brought up to the latest technological standards

IT service provider relies on three Kern 3600s and thus on investment security and a familiar system.

Three Kern 3500s became three Kern 3600s: With this ongoing investment in its machinery equipment pool, Atruvia AG (formerly

Fiducia & GAD IT AG) has raised its systems to the next level and made them future proof. Atruvia AG has been operating under a new name since September 2021, and it was during this time that the decision was made to purchase the three Kern 3600s from Kern.

The IT service provider of the German "Volks- und Raiffeisenbanken" has replaced the oldest Kern 3500 with a Kern 3600 at the Karlsruhe, Münster and Berlin locations, thus continuing to ensure investment security in the machine park. As part of the renewal and the associated upgrade, the already renewed and existing

input and output devices for the Kern 3600 were taken over.

The advantages for this investment are obvious: despite the continued use of the input and output modules, Atruvia AG now has the latest technology throughout. The innovative leap is large, but the effort required for the changeover is small: The materials such as documents, inserts and envelopes are compatible and do not need to be adapted, the reading control remains the same, while the user interface and mechanics can be operated intuitively by the operator: There is no need to relearn how to set up and change appli-

cations, paper formats and other work steps, which guarantees a smooth and quick system change.

With the innovation in the system, electrical and electronic components are adapted to the international state of development, can be modified or exchanged on site and made future-proof. The exchange of a Kern 3500 into a Kern 3600 is possible within one day.

In terms of ease of operation, great flexibility and performance, the Kern 3600 is at the absolute top of the range on the market. Reliability and high availability were already the strengths of the predecessor model; the Kern 3600 has been perfected in all areas. The maximum cycle rate is up to 27,000 insertions per hour.

The settings of the system have all been automated, so that the downtime of the system is reduced to an absolute minimum

when changing applications. Access to the system has been further simplified for the operator.

About Atruvia AG

Atruvia AG is the digitalisation partner in the Genossenschaftliche Finanzgruppe and an expert in the field of banking and information technology. The company has its administrative headquarters in Karlsruhe and Münster and branches in Munich, Frankfurt and Berlin. In the 2020 financial year, it recorded a turnover of 1.37 billion euros.

With its Output Solutions business segment, Atruvia AG is one of the leading players in the German output management market. The portfolio includes, for example, securities documents, payrolls, invoices, and mailings. For companies that still print themselves, Output Solutions is available as a backup partner - for contingency cover, for bridging capacity bottlenecks or as a full-service provider. www.atruvia.de



PackOnTime® is at the forefront!

German Packaging Institute: The golden top! 15 Gold-Awards for excellence innovation.

Winner of the German Packaging Award 2021 – 52 excellent innovations around packaging receive the German Packaging Award. Kern AG is the prizewinner in the packaging machines category with PackOnTime 2box.

The Hall of Fame of the best innovations around packaging is richer by 15 outstanding solutions. The Gold Awards were announced on 28 September 2021 through the FACHPACK trade fair. With the Gold Awards, the independent jury of the international German Packaging Award recognises especially groundbreaking innovations from the group of packaging award winners.

Kern AG is the award winner in the packaging machines category with PackOnTime 2box.

The system defines the packaging volume based on the geometry of the packaged goods, selects the appropriate corrugated cardboard sheets from a stock of different sizes, cuts, perforates and creases them individually, erects the boxes, fills and seals them.



Thomas Plattner (Head of Business Unit kernPack), Bruno Guanziroli (Head of Marketing & Sales kernPack), Rainer Rindfleisch (CEO, Kern GmbH)

PackOnTime® is finalist for the Green Business Award

Green Business Award - Switzerland's most important prize for the environment - Sustainable and successful. Is that possible?

Yes! Kern clearly demonstrated this with their On Demand packaging system as this year's finalist of the "Green Business Award". Clever packaging is the key in times of online shopping and online trade is booming, but never more so than since the outbreak of the Coronavirus Pandemic. Not only books, clothes and other goods are delivered to the living room - but also oversized packages and filling material made of plastic. Kern AG, a family-owned company in Berne, decided that this was superfluous and started looking for alternatives. Three years ago, the idea became a concrete packaging system: "PackOnTime 2box produces customized packages that don't need any void filling material at all". In a fully automated process, the product is measured and the data is transmitted. The machine then produces a matching package from recycled cardboard sheets. And that every seven seconds. The environmental benefits are obvious: smaller parcels, less volume, fewer trucks on the road.

And the end customer doesn't have to deal with harmful filling material. With two other finalists, the kernPack team went through a careful selection process and was allowed to present their solution to the public during the Circular Economy Entrepreneur Conference (CE²) in mid-September 2021 in the Kursaal Berne. Kern is proud to be in the top three of 40 com-

panies that combine economic success with ecological impact. There can only be one winner: In the end, the Designwerk Group went home as the winner with their Futuricum electric trucks. Nevertheless, the team is proud of what they have achieved in this important competition.



About the Green Business Award

The "Green Business Award" honours innovative companies that combine economic success with ecological impact. A unique selection process via national trade associations and environmental organizations guarantees that the most convincing solutions are found each year. With the "Green Business Award", "Green Business Switzerland" focuses on the positive connection between business success and sustainable action. Behind this forward-looking cooperation are key players from the business and environmental protection sectors.

www.greenbusinessaward.ch, www.ce2.ch

Parcel + Post Expo 2021



The next Generation of Terminals



From the 12 – 14 October 2021 a new edition of Parcel & Post Expo took place at the exhibition and congress centre.

On this occasion the in-person format was restored (last year, due to COVID-19 restrictions, the Post Expo was only held virtually) and combined with the virtual format to reach a larger professional population.

Kern AG was also represented with a stand. The design was an open-plan space so that all visitors could easily get to see the

terminals. At the Smart Terminals stand there were two exhibits making it possible to present a variety of functionalities. On the left, Kern showed the combination of a FrigiCity Terminal Module with a control unit and some City Terminal Modules. The same control unit operates both module types, which can save space and costs. Some of the Kern customers, like Eroski supermarkets, chose this model.

In addition, Kern has installed a module with power banks in one of the City Terminal compart-

ments, which has already been presented in other exhibitions. This is an option with removable compartments. Kern has already created the software to use this module in a variety of ways. For example, customers need to charge mobile phones, tablets, etc., but there is nowhere with a charging station. From the app, a power bank can be requested at the next terminal, a code is typed in and a power bank is given to the customer. When the power bank has been used, the person goes back to the safety box and indicates via the app, that the power

bank is being returned. The customer gets a new code that opens the door and allows them to deposit the power bank.

Parallel to this terminal, Kern AG also presented the new HT13 BLE at the Post Expo. This is a terminal with Bluetooth technology that works completely without a screen and is used by courier services, service technicians and other users via app. The Bluetooth technology helps to reduce energy and weight consumption and reduces maintenance. On a screen, examples of installations were presented, which showed the diverse applications of the Terminals.

On the last day of the exhibition, Juan Lozano, CEO Sistemas Kern, made a presentation as part of the conference program "The Convenience Strategy for the Competitive Last Mile". The conference took place in the context of the Expo. The title of the presentation was "Economic Analysis of Public and Private Lockers". He used various economic indicators to analyze the usefulness of public and private lockers.

PackOnTime® was also presented at the exhibition. Using a scaled down model, the team were able to explain to the visitors exactly how PackOnTime 2box works. On a monitor there was also a video

animation that showed step by step how the clever packing system functions.

The world's leading event for postal and logistics companies, Parcel+Post Expo 2021 focuses on three main categories: Handling and Sorting Equipment, Intelligent Terminals and Trucks for the Last Mile. The exhibition is constantly growing, which is evident from the name of another exhibition in the USA next year: package fulfilment, logistic & delivery expo. www.parcelandpostexpo.com

More information:



PKN Orlen



Kern Terminals in Action



PKN Orlen publicised a tender setting out their intention to start a project to build their own terminal network of petrol stations in Poland. In reality, this project was much more of a challenge than it seemed at first view.

The network includes a total of 2,000 lockers which are positioned mainly at PKN Orlen petrol stations. Since awarding the tender to Kern AG, the company has worked together with PKN Orlen to create a locker that fulfils all of

About PKN Orlen

PKN Orlen, the largest company in Central and Eastern Europe, is a state-owned Polish oil refiner and petrol retailer. The Group is a significant European listed company with major operations in Poland, the Czech Republic, Slovakia, Germany and the Baltic States, as well as an operation in Canada.

the client's requirements and expectations.

In terms of hardware, this meant:

- studying several combinations of columns to optimise the size

and compartments to meet the client's requirements;

- the development of an installation system that maximises the efficiency of the installation process and at the same time guaran-



tees greater stability and security of the terminals from vandalism or severe weather;

- development of a roof with an independent lighting system for protection from the weather, for night lights (for safety reasons) and for signalling the column when the box is opened.

In addition, a number of custom software developments were undertaken. To begin with, the usual procedure (delivery of the packets by the courier and collection by the customer) was slightly modified. At PKN Orlen, a customer (a company or a private individual) deposits the parcel in a safe deposit box near their location, the courier picks it up and delivers it to the destination. When the package is deposited in this second box, the recipient gets a message that the package is ready to pick up.

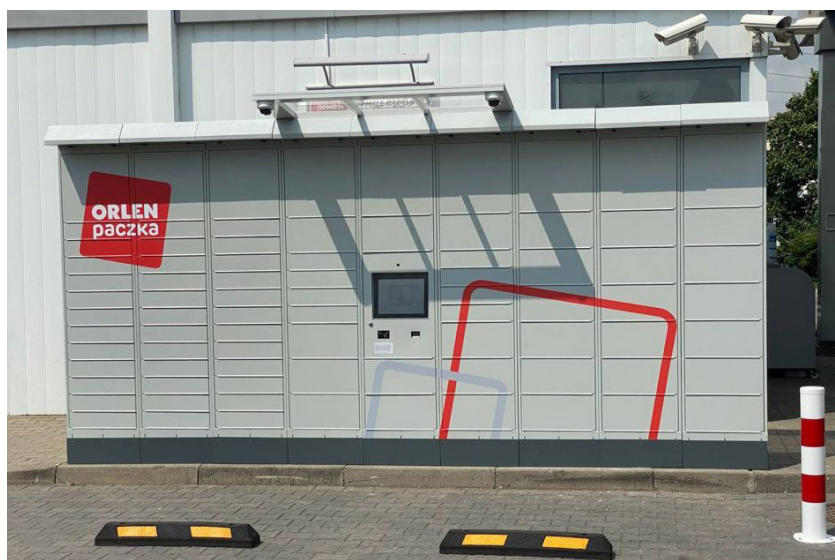
For this process, however, several innovations had to be created:

- a smartphone app that controls delivery as well as pick-up.
- new interactive options on the displays that show the lockers.

Additionally the project also includes the integration of other tools such as monitoring and management to check the status of ordering and lockers in real time, and Jira Service Desk for incident

management and customer support.

Marcin Myszkowski, Implementation and operational management of the Automated Parcel Machines service network at PKN Orlen, emphasises that the good exchange with the Kern team was inspiring. The wishes and requirements for this complex terminal network could be implemented with innovative solutions from Kern.





View of the old town Bern

Berne, the capital of Switzerland, stands on a loop of the river. The origins of the town reach back to the 12th century. In the old town, the medieval architecture has been left in place. No other city has so much to offer in the

way of historic trains. The federal city is the seat of the government and is also known as a university city and for the iconic landmarks, the "Bärengraben" with the Bear Park, the "Münster" and the "Zytglogge". Berne's Old Town is a UNESCO World Heritage Site and has one of the longest weather-protected shopping promenades in

Europe, with six kilometers of arcades known as "Lauben". No matter whether for sport or leisure activities, on the mountain or by the water, urban or rural, the possibilities for exciting excursions and experiences in the destination of Berne are endless.

www.bern.com



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