GREAT COMPANIES RUN SAP

Success Stories of Growing Companies

Asia Pacific

THE BEST-RUN BUSINESSES RUN SAP™

ACKNOWLEDGEMENTS

SAP Asia Pacific wishes to thank all the customers and SAP Channel Partners who have shared their successes with us in this book.

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INTRODUCTION

Great companies are made, not born. And most of them start off as small and midsize enterprises (SMEs).

With the increasing challenges that companies face today, they need to continually adapt to the ever-changing business environment in order to achieve and maintain success. These companies need the right business IT solution to cope with their business demands. SAP offers just that.

The challenges businesses face come in various forms: tougher competition in both local and global markets; consumers' higher expectations; and the need to optimise and/or diversify existing businesses to stay in the lead.

There are market dynamics to contend with as well. Business owners have to ensure operational efficiency and meet customers' rising expectations while maintaining healthy margins. Unexpected economic, financial or environmental crises around the globe can also derail the best business plans.

A great company has to operate at peak efficiency and adaptability to minimise and react quickly to such risks. SAP solutions like mySAP All-in-One and SAP Business One help business owners increase efficiency by integrating the overall business processes, enabling them to stay globally competitive and catch the right opportunities at the right time. As real-life examples in this volume show, SAP has over 30 years of experience in various vertical industries to help you achieve greater success.

In the following success stories, you will see how SAP solutions have helped SMEs from all industries become more competitive in a matter of weeks and months, not years. We feature companies which have just started, those which are growing, and others which are already successful but need a boost to the next level. All have found good returns on investment (ROI) and added competitive advantage through SAP.

These successes are possible with the expert assistance of SAP partners. Our partners take care of the implementation, so business owners like you can concentrate on what you do best – taking care of your business. SAP partners offer detailed feedback on what works best given your current challenges, then work closely with you on how to enhance competitiveness.

All SAP partners undergo stringent certification processes to maintain the high standards SAP is known for. They also have SAP's best practices, accumulated through years of working with large enterprises to draw on, as well as a rapidly-growing pool of expertise gleaned from the specific requirements of SMEs.

There are many reasons why great companies run SAP – and these are not just great big companies only. Our best practices, experience in all industries and strong reputation for excellence are some of them. But ultimately, we succeed when our customers become great because our solutions work, and work well. Here is how you, too, can become a great company. Just turn the page.

SAP Asia Pacific

SAP SOLUTIONS FOR GROWING COMPANIES

SAP is the world's leading provider of business software solutions and is committed to enabling seamless business processes connecting small and midsize enterprises (SMEs) to their partners and customers. Nearly half of SAP® software installations worldwide are for SMEs. Delivered through a comprehensive network of qualified, professional partners, SAP distinct solutions for SMEs – SAP® Business One and mySAP™ All-in-One – are affordable, easy to implement and scalable to grow with business needs.

SAP® Business One - Designed specifically for small and midsize enterprises, SAP® Business One allows business owners to achieve an up-to-date and unified view of their operations, improve business-process efficiency and take advantage of growth opportunities. The software can be deployed rapidly, providing instantaneous access to critical business information through intuitive, easy to use reporting and drill down capabilities. With more than 1,300 business partners, 300 industry- and process-specific scenarios and add-ons, and 40 country versions, SAP Business One is helping more than 10,000 companies worldwide seamlessly link with customers and suppliers and with parent companies using mySAP™ Business Suite applications. SAP Business One recently was selected by Small Business Technology Magazine as the 2005 Technology Product of the Year. (Additional information at http://www.sap.com/smallbusiness/index.epx)

mySAP™ All-in-One solutions are designed to meet the needs of small and midsize enterprises (SMEs) with industry-specific requirements. Based on mySAP™ Business Suite, mySAP All-in-One solutions are pre-packaged, affordable and quick to implement, helping companies streamline business processes, increase efficiency and achieve a rapid return on investment. The solution's solid SME market presence is underlined by nearly 550 microvertical industry solutions delivered through a global network of 807 SAP business partners to more than 8,300 customers worldwide. Leveraging SAP's business and industry expertise of more than 30 years, mySAP All-in-One solutions enable SMEs to drive new business value, increase revenues, support higher levels of innovation and improve the effectiveness of sales and marketing campaigns. (Additional information at http://www.sap.com/solutions/smb/allinone)

SAP Best Practices - Experience Built In

SAP® Best Practices supports both Midsize Enterprises that require rapid implementation; and large companies that want to create a corporate template for their subsidiaries. Whether you are a new or existing SAP customer, using SAP Best Practices gets your solutions up and running quickly. SAP Best Practices describes exactly how best to implement various key business processes in your system – including how to set up and configure your SAP software.

SAP Best Practices provides you with practical, industry-specific guidelines that speed up and simplify your implementation process. Your business is able to control costs, reduce risks, and immediately experience the benefits of its SAP applications. Based on more than 30 years of industry experience and thousands of implementations, there is an SAP Best Practices package to meet your industry need that is safe, predictable, and affordable.

SAP Best Practices empowers your enterprise with:

- Thoroughly documented business processes that help streamline both your business and your technical environment
- Proven pre-configurations of SAP applications to speed implementation
- A foundation for change, to protect your investment

Customers all over the region have experienced the business benefits made possible by SAP Best Practices.

For more information about SAP solutions for growing companies, please contact **sme.apa@sap.com** or visit our website: **www.sap.com/asia**.

Aerospace & Defence

India

Aerospace & Defence

ANKIT FASTENERS SECURES SAP BUSINESS ONE TO TRACK INVENTORY

Ankit Fasteners' inventory tracking problems were resolved when it implemented SAP® Business One to maintain its market position. The solution has integrated and automated the company's business processes.

The leader in aerospace fasteners in India, Ankit Fasteners, needed to maintain its top ranking in the market in the face of growing competition.

"SAP Business One has extensive customisation ability. It can build the automated procedures we need for our company's future growth."

Mr. Ankit Patel, COO, Ankit Fasteners

To accomplish this, it required an internal system that would allow its management to work more efficiently. Its previous accounting software, however, required that data be keyed in manually, and did not support comprehensive integration with other systems.

The company went in search of a solution to automate and integrate its internal processes. The emphasis was on inventory tracking, as it needs to monitor a vast number of precision fasteners in order to avoid losses and wastage during the production process.

Ankit decided to implement SAP Business One due to the solution's cost effectiveness and user-friendliness.

"SAP Business One has extensive customisation ability. It can build the automated procedures we need for our company's future growth," says Mr. Ankit Patel, COO of Ankit Fasteners.

AT A GLANCE

Key Challenges:
- Data had to be keyed in manually
- Departments were not integrated
- Inventory was not easy to track, resulting in losses and wastage

Project Objectives:
- Automate and integrate the majority of processes
- Track inventory closely

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Cost effective and user friendly
- Ability to develop customised solutions to meet the company's needs
- Support the company's future growth

Implementation Highlights:
- Implementation process started in May 2006 and ended in September 2006
- Job route card traceability add-on was developed to serve customers with better production processes
- SAP's RAPID implementation methodology was followed

Key Benefits:
- Majority of departments had been integrated
- Allows better accountability of sales and marketing calls
- Inventory tracking has been made easy
- Customers able to view production status even from remote locations
- Significant improvements to despatch scheduling, sales opportunity management, pick and pack, and distribution management

Channel Partner:
- Clockwork Business Solutions (P) Ltd

Existing Environment:
- Tally accounting software

Database:
- MS SQL

Hardware:
- Assembled System

Operating System:
- Microsoft Windows 2003 Server

SAP's RAPID implementation methodology contributed a lot in the successful completion of the implementation.

Better Visibility into Production

With SAP Business One, the majority of Ankit's departments have now been integrated, allowing better accountability of sales and marketing calls. The company's inventory tracking procedures have also been simplified, while despatch scheduling, sales opportunity management, pick and pack, and distribution management have all been streamlined.

The production process has been significantly improved as well. Staff now have access to important data from all departments, which was not possible in the past. The increased visibility was enabled by a customised job route card traceability program. The software has enabled Ankit's customers to access production status of their orders, even from remote locations.

"SAP Business One's development of additional functionality for our company is commendable. We hope to continue customising the solution for our business."

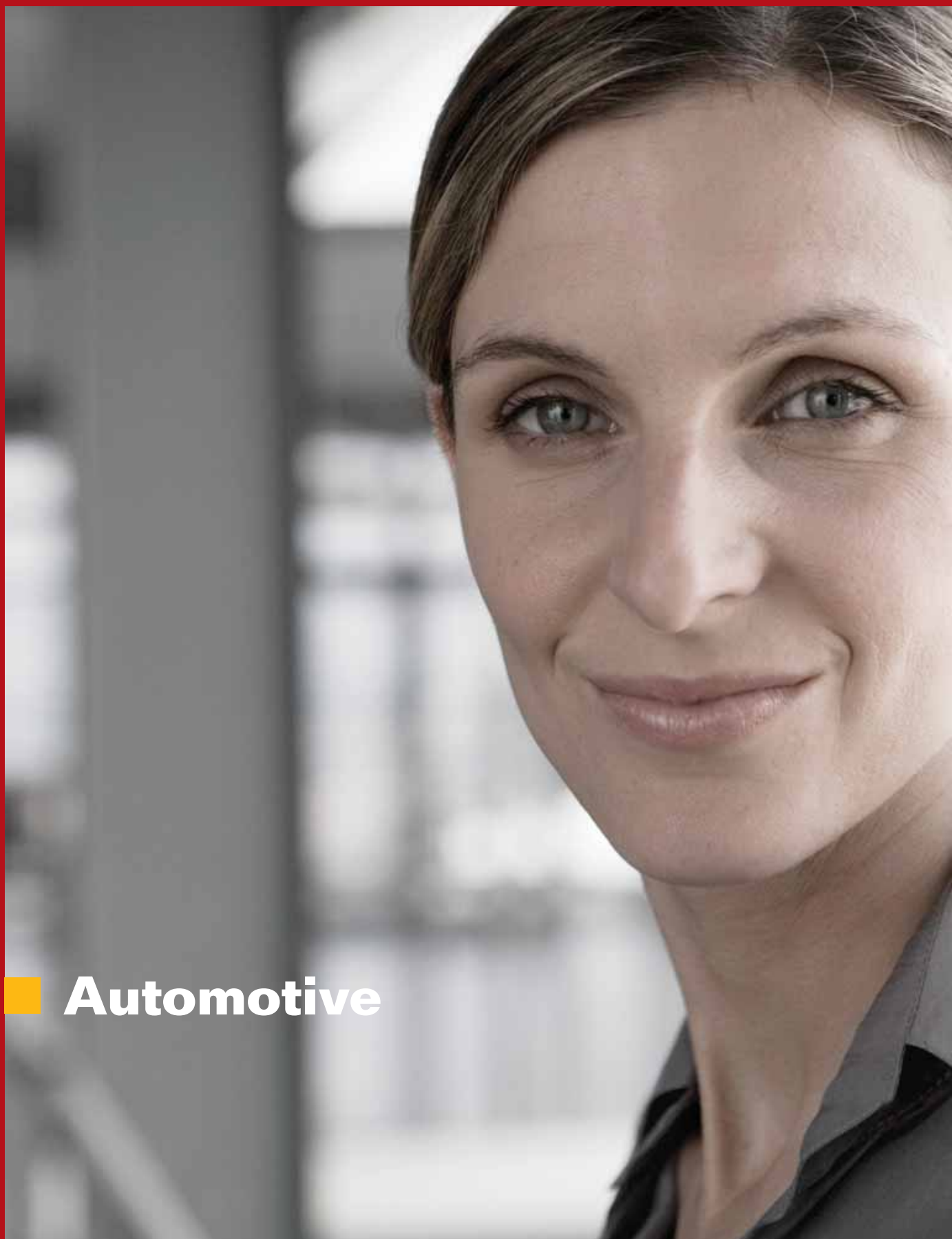
Mr. Ankit Patel, COO, Ankit Fasteners

"Constant interaction with the production process is the key to understanding the complete product cycle," says Mr. Patel.

In the near future, Ankit hopes to better the communication between SAP Business One and customers who use other SAP products in order to allow seamless transfer of information.

"SAP Business One's development of additional features for our company is commendable," says Mr. Patel. "We hope to continue customising the solution for our business, with future development on meeting our quality control and production planning requirements."

XL RUNS SAP.



Automotive

China

Automotive

QINGDAO JINHUA IMPLEMENTS SAP BUSINESS ONE WITHIN ONE MONTH

Qingdao Jinhua Industry Group of Qingdao City, China, is a leader in the automotive equipment industry. Recently some problems emerged around how to best run the family-managed business, especially regarding middle-manager ability. Its leaders felt that a suite of mature, integral, and affordable solutions would help the company resolve its problems.

By implementing the SAP® Business One application, Qingdao Jinhua Industry Group of Qingdao City, China, has gradually solved the problems that a family business often encounters, such as insufficient middle-manager ability and poor information transfer. However, Jinhua's vice general manager, Mr. Jin Lei, understands that these things do not just change overnight. "Our plan is to see a distinct change within three years," Mr. Lei says.

When Family Management Reaches a Bottleneck

In the 16 years since its founding, Jinhua has grown from an unknown, family-managed business into a top five company in the manufacturing of automobile maintenance equipment, with 180 employees and €50 million in annual sales. In addition to its dealings with nearly 30,000 users in China, Jinhua has widespread business cooperation with more than 50 countries in Europe, Asia, the Americas, and Oceania. It became one of China's biggest military goods suppliers by providing products to the General Equipment Department of the People's Liberation Army.

"The ERP project helped us not only realise information process automation, but also improve working conditions and transform our practices."

Mr. Jin Lei, Vice General Manager, Qingdao Jinhua Industry Group

AT A GLANCE

Website:
- www.jinhuatec.com.cn

Key Challenges:
- Refine customer relationship management
- Enable company to realise integral information transfer and break through family management–related bottlenecks

Project Objectives:
- Improve teamwork and cooperation
- Consolidate information
- Streamline management processes

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Powerful management function
- Strong stability
- Easy to use
- Low cost

Implementation Highlights:
- One month implementation period
- Small size of implementation team
- Easy-to-follow training process
- Single server that factories can access remotely

Key Benefits:
- Cost of each production operation decreased between 5% and 8%
- Average goods in stock decreased 13%
- Productivity increased 16%
- On-time delivery reached 95%
- Product shortages decreased 70%
- Internal verification strengthened
- Accurate rate of inventory increased from 70% to more than 94%.
- Management costs were reduced

Channel Partner:
- Zhongke Management Consulting

Existing Environment:
- Legacy systems

Database:
- Microsoft SQL Server 2000

Hardware:
- HP DL 380

Operating System:
- Microsoft Windows 2000 Server

Following a smooth launch and steady growth, Jinhua began to feel more pressure during the development period. Problems raised by the initial rapid growth gradually came to light. The market capacity of the automotive equipment industry is small. Moreover, the industry is easy to enter, and competition is becoming more and more intense. For these reasons, Jinhua needed to improve its management abilities and enhance cost control.

Looking into the matter further, Jinhua discovered that middle management was not performing sufficiently, and this was negatively impacting the company's ability to stay competitive. As a family-managed business, many of Jinhua's initial participants simply did not have the ability to adapt to the new environment and were unable to lead key departments. In addition, as Jinhua is a medium-sized business with relatively low profits, it was impractical to rely on external resources. "Middle management's inability to function sufficiently caused some problems. They were not effectively organising, analysing, and reporting key information to supervisors. As a result, the supervisors' decisions could not be effectively communicated to the basic business units."

"Middle management's inability to function sufficiently caused some problems. They were not effectively organising, analysing, and reporting key information to supervisors. As a result, the supervisors' decisions could not be effectively communicated to the basic business units."

Mr. Jin Lei, Vice General Manager, Qingdao Jinhua Industry Group

As a member of Jinhua's second generation of supervisors, Mr. Lei realised that information wasn't being transferred promptly and effectively among various departments, instead resulting in bottlenecks. To a certain extent, strengthening management by hiring new staff could have helped solve this problem, but it would have meant at best an increase in the burden shared by staff at various levels. At worst, it would disrupt the entire business process. Therefore, information transfer had to be improved, both to solve Jinhua's problems and to reduce costs.

Model Selection Not Dependent on Short-Term Benefit

In light of the fact that the automobile industry will continue to grow steadily worldwide, Jinhua's leaders realised that the needed tools to improve management. This would, in turn, have several benefits, including strengthening quality control, enhancing distribution and logistics management, and providing timely delivery ability. Flexible production methods would allow Jinhua to conduct production planning and scheduling, control enterprise production costs, and complete enterprise profitability analysis from multiple angles.

After deciding on a technological solution to its problems, Jinhua faced its next decision: which product to implement. The Jinhua Group is comprised of four independent corporations with relatively complex internal structures. As such, its current software is unable to effectively accomplish uniformity. Management had become increasingly difficult in direct proportion to company growth. Jinhua general manager, Mr. Jin Jing Shan, finally selected SAP Business One because its long-term benefit was greater and it met the company's current demand.

After an initial preparation period, Jinhua's enterprise resource planning (ERP) project was implemented, first at headquarters and then in the factories. Aiding in the implementation was Zhongke Management Consulting. Purchasing, warehousing, and financials in the factories, and

management and sales at headquarters, are now interconnected through the virtual private network's remote connection.

Prior to implementation, Jinhua invested more than €20,000 to prepare for the new solution. In addition, Jinhua had lengthy discussions about how it might change its business processes to adapt to the software's processes. It ultimately decided to adjust management practices in order to be better prepared for the changes to come. Mr. Lei has prepared psychologically as well: "Besides these investments, we also plan to increase overhead cost, especially in the project's application stage." He estimated that, when fully implemented, the SAP Business One project will break even after one year and will definitely become profitable the year after that.

"Besides these investments, we also plan to increase overhead cost, especially in the project's application stage."

Mr. Jin Lei, Vice General Manager, Qingdao Jinhua Industry Group

Inventory Data Accuracy Rate Reaches 94%

In the past, Jinhua's decision-making staff mainly depended on experience in dealing with particularly delicate management issues. Now with SAP Business One they can obtain detailed data on enterprise operation, thus changing the basis on which they make decisions. The system also transformed administrative personnel's operation philosophy and transformed financial accounting into management accounting, giving them a much better grasp of the company's overall situation.

By adopting SAP Business One, Jinhua has developed its channels of information transfer, sped up the flow of information, and increased efficiency company-wide. The investment in SAP Business One has more than paid off in returns. Besides improvements in management practices, staff quality has improved as well. SAP Business One transformed administrative personnel's way of working, promoted teamwork, and led to a spirit of cooperation. "The ERP project helped us not only realise information process automation, but also improve working conditions and transform our practices," says Mr. Lei. "And it enabled staff to exchange information, which all came together to form our current company culture."

mySAP ALL-IN-ONE IS THE BEST BUSINESS TOOL FOR CCS ENGINEERING

Thailand's CCS Engineering chose mySAP™ All-in-One to solve its internal process issues and has since enjoyed an integrated system that enables its management to make faster and more accurate business decisions as well as take total control over all its production processes.

AT A GLANCE

Website:
- www.ccsengineering.com

Key Challenges:
- Internal processes not integrated
- Reliable information could not be provided for decision making or other activities, like tracking production data

Project Objectives:
- Needed to integrate the workflow across departments
- Required greater insight of accurate, real-time data

Solutions & Services:
- mySAP™ All-in-One; Financial and Controlling (FI/CO), Materials Management (MM), Production Planning (PP), and Quality Management (QM) modules

Why SAP Solution:
- SAP's reputation as a global leader
- SAP understands Thai laws and has relevant localised solutions
- mySAP All-in-One met all of CCS Engineering's requirements

Implementation Highlights:
- Implementation completed within four months

Key Benefits:
- Seamless integration company-wide
- Management can make faster and more accurate decisions
- Ability to track all production processes has allowed inventory costs to be controlled better and eliminated wastage of materials

Channel Partner:
- JSG Co. Ltd.

Hardware:
- Dell

Operating System:
- Microsoft Windows 2003 Server

As a fast expanding organisation, CCS Engineering soon realised that it needed a business solution to manage its internal processes more efficiently in keeping with its "Complete Customer Satisfaction" motto, or risk losing its business momentum.

At the time, CCS Engineering maintained standalone systems for each of its departments. Each departmental system could not share information with the others, resulting in managerial reports that were based on incomplete data.

"SAP has a very strong reputation and is known for its proficiency in coming up with localised solutions due to its knowledge of Thai laws and regulations."

Mr. Ketan Pole, Director, CCS Engineering

"The management was always slow in coming out with business-critical decisions and there were frequent errors found in their forecasts. They then had to correct the errors, bringing work productivity down," says Mr. Ketan Pole, Director, CCS Engineering.

Poor Quality Reports Hamper Estimates

The same lack of precise information also led to poor control over the production process, a major source of expenditure for manufacturers. CCS Engineering was not

able to track whether materials were being wasted during manufacturing, nor monitor production and inventory costs.

The search for a new system led CCS to SAP. CCS Engineering had heard of SAP in the past and was impressed when it found out more.

"SAP has a very strong reputation and is known for its proficiency in coming up with localised solutions due to its knowledge of Thai laws and regulations," says Mr. Pole. "We finally decided on mySAP All-in-One as compared to other systems, the software offered the best fit for all the requirements of our fast-growing company."

With the help of SAP implementation partner JSG Co. Ltd., the company installed mySAP All-in-One at its headquarters, in just four months. CCS Engineering also installed the following modules – Finance and Controlling (FI/CO), Materials Management (MM), Production Planning (PP), and Quality Management (QM).

"We realised that the transition from many standalone systems to a single solution could be a big challenge. We had to ensure that our IT team worked closely with the management, all department heads as well as with consultants from JSG to ensure a successful system and data integration for our entire organisation," notes Mr. Pole.

Rapid and Accurate Decisions

With mySAP All-in-One in place, CCS Engineering is now better equipped to make faster and more precise strategic decisions with the streamlining and integration of the formerly independent process workflows. "With no errors now in the information, management does not have to spend time checking the facts, thus improving productivity," adds Mr. Pole.

"Today, the company is able to track all production processes. We have 100% perfect management of data so we can easily track down the status of the materials."

This newfound visibility has reduced the wastage of materials, cut down on inventory costs and enabled the management to forecast materials orders more accurately.

CCS Engineering is impressed with the gains from mySAP All-in-One so far, and is looking to increase the number of users for the solution from the existing 13, says Mr. Pole.

"The wide array of features offered by mySAP All-in-One has the ability to support future business expansion. This will help take CCS Engineering to the next level."

Mr. Ketan Pole, Director, CCS Engineering

"The wide array of features offered by mySAP All-in-One has the ability to support future business expansion. This will help take CCS Engineering to the next level," he says.

INNER MONGOLIA YIYANG GROUP UPGRADES ITSELF WITH mySAP ALL-IN-ONE

Faced with world-class competition, Inner Mongolia Yiyang Group chose mySAP™ All-in-One to re-engineer itself with standardised, integrated business processes. It has now become more competitive and is able to perform better decision-making.

AT A GLANCE

Website:
- www.nmyyqc.com

Key Challenges:
- Legacy system could not keep up with company's growth
- Lack of real-time visibility into the business
- Could not respond to customer needs quickly
- Financial accounting methods were slow and cumbersome, and did not provide accurate, up-to-date data
- Production and price management required better organisation

Project Objectives:
- Required a world-class system that could help the company stay competitive
- Wanted to introduce advanced management concepts
- System had to scale with the company
- Wanted to integrate silos of information and streamline internal processes

Solutions & Services:
- mySAP™ All-in-One; FI, CO, MS, MM and SD modules implemented, with customisation including a sales rebate system

Why SAP Solution:
- SAP has rich practical global experience
- mySAP All-in-One has been very successful in the automotive distribution industry
- SAP was recommended by channel partner

Implementation Highlights:
- Project carried out in three phases

Key Benefits:
- Sales revenues have increased while operational costs have fallen
- Core competitiveness enhanced with raised service levels
- Growth and dynamically changing market conditions handled easily
- Internal processes standardised
- Integrated information flows have led to more business visibility, aiding accurate decision-making
- Coordinated production processes and consistent pricing policies
- Financial accounting is more efficient
- Uncovered more underlying problems which could then be addressed

Channel Partner:
- Covics Business Solution

Database:
- Microsoft SQL Server 2000

Homegrown Chinese companies have had to brace themselves for more domestic competition ever since China joined the World Trade Organization (WTO) in 2001. Hohhot-based Inner Mongolia Yiyang Group (Yiyang) has had to deal with a stream of new foreign-backed players entering the market to compete against its vehicle sales, maintenance, parts supply and transportation businesses in Inner Mongolia.

"mySAP All-in-One offers Yiyang more room to expand its vision."

Mr. Wang Zilong, Chairman, Inner Mongolia Yiyang Group

Despite the increasingly fierce competition, Yiyang has seen phenomenal growth due to enlightened use of technology. Yiyang chose mySAP All-in-One to keep up with its expansion, and results were so outstanding that it won the mySAP All-in-One Best Application Award in the SAP Growing Enterprise Model Project Implementation Competition.

Yiyang decided to shop for a new business solution when its original management model was overwhelmed both by its growth and the constantly changing market conditions.

Lack of overall integration had begun to cause problems as the company grew. Each branch and subsidiary acted autonomously, resulting in inconsistent management decisions within the group. Yiyang's existing logistics management and pricing policies were not centrally managed as well, so customers and staff had to deal with conflicting information and delays.

The lack of integration also made it difficult to consolidate group corporate data. The finance department at headquarters had to scramble at the end of each day to close the daily accounts and create group sales reports after receiving faxed sales information from Yiyang's branches and subsidiaries. This inefficient process led to mandatory overtime, so staff morale was low while senior management lacked real-time visibility into the business. Yiyang could neither predict capital requirements, nor gain insights into potential operating risks.

Yiyang has seen customer requirements evolve at the same time. The growing number of private car owners has fostered demand for spare parts, maintenance and fast repairs, while customers in general have more diverse demands. With its existing business model however, Yiyang could not cater to these new requirements quickly.

"Implementing mySAP All-in-One was not just about implementing an application, It was about implementing new business processes, accelerating time-to-market, and evolving corporate management standards."

Mr. Wang Zilong, Chairman, Inner Mongolia Yiyang Group

SAP's Philosophy Resonates with Yiyang

SAP implementation partner Covics Business Solution was instrumental in influencing Yiyang towards SAP. Yiyang wanted a solution that could integrate processes and information from all levels of the group, increasing productivity and competitiveness, and yet allow it to stay nimble enough to handle changing market conditions. When Covics explained that flexibility is key to SAP's philosophy, Yiyang saw the fit immediately.

Covics' CSE certification for the auto distribution industry, based on mySAP All-in-One, was the clincher. "mySAP All-in-One offers Yiyang more room to expand its vision," explained Mr. Wang Zilong, Yiyang's Chairman.

Sure and Steady Improvement

Yiyang took Covics' advice to perform the implementation in three phases for minimal disruption. The company's normal production and operations were only slightly affected as a result.

In the first phase, five major modules of Financial & Controlling (FI/CO), Materials Management (MM), Sales & Distribution (SD) and Maintenance Service (MS) were installed at Yiyang's headquarters in three months. Phase two saw the same modules deployed at eight divisions and subsidiaries as well as at two branch offices. All systems at these facilities were successfully integrated with those of the head office to enable centralised management and consolidated information that could be efficiently shared across the supply chain.

In the third phase, industry-specific customisation was implemented, including support for a sales rebate system unique to automobile distribution; gas refill; heavy vehicles, automobile decoration, and Toyota M6s. It was actually carried out by Yiyang under Covics' guidance, allowing Yiyang staff to gain valuable know-how.

Increasing Core Competitiveness

Yiyang has benefited a great deal from its IT transformation. The integrated systems have led to better workflow and enhanced planning capability in areas such as sales, service, and maintenance. Internal communication and management decision disconnects no longer exist, and resource management is closely integrated right through the entire supply chain.

"This round of IT transformation has given us a huge opportunity to improve our standards of management," Mr. Wang says. "mySAP All-in-One not only clearly identifies corporate responsibilities and rights, but also optimises processes and eliminates arbitrary management methods. About 80% of Yiyang's routine operations have been automated."

Financial intelligence has certainly improved. mySAP All-in-One has reduced the number of accounting staff, made consolidated financial information more readily available, and given Yiyang the means to make effective financial decisions.

In addition, pricing policies for vehicle sales are now set by the head office, and made available in real-time. Any discounts offered by individual divisions or subsidiaries are immediately reflected, so profits can be estimated more accurately.

Similarly, customer data that used to be entered both at the maintenance and sales departments is now centralised too, improving customer relationship management and allowing Yiyang to respond effectively to changes in demand. Today, Yiyang's customer service team leverages on a comprehensive view of the customer to provide more personalised services to targeted audiences.

"mySAP All-in-One not only clearly identifies corporate responsibilities and rights, but also optimises processes and eliminates arbitrary management methods. About 80% of Yiyang's routine operations have been automated."

Mr. Wang Zilong, Chairman, Inner Mongolia Yiyang Group

Building on Success

mySAP All-in-One has generated concrete financial returns. The company has seen savings of RMB10,000 (US$1,280) in parts purchase and sales alone since implementing mySAP All-in-One. Yiyang's annual sales revenues in 2003 stood at RMB500 million (US$64 million). In 2005, the company sold 5,000 vehicles, and enjoyed an annual turnover of over RMB1 billion (US$128 million).

Further, Yiyang's success encouraged it to collaborate with Volkswagen to establish the Inner Mongolia VW Jiefang Yiyang Specialist Car Company, thus diversifying from a distributor to a manufacturer in late 2005.

"Implementing mySAP All-in-One is not just about implementing an application. It is about implementing new business processes, accelerating time-to-market, and evolving corporate management standards," concludes Mr. Wang.

RIGHT-ON RUNS SAP.

SAP BUSINESS ONE SUPPLIES ESSENTIAL DATA FOR PT AUTOKORINDO PRATAMA

PT Autokorindo Pratama required a reliable system to enhance its global competitiveness. With SAP® Business One, it is enjoying comprehensive, accurate reports that empower management to make effective decisions.

AT A GLANCE

Key Challenges:
- Previous manual system could not cope with company's growth
- Decision-making process affected by slow, inaccurate reports
- Administrative tasks such as invoicing and reporting were too time-consuming

Project Objectives:
- Effective IT system to successfully penetrate local and global markets
- Improve scalability, efficiency and productivity
- To supply accurate information

Solutions & Services:
- SAP® Business One; Sales, Inventory, Financial, Purchasing and Banking modules were implemented

Why SAP Solution:
- SAP's years of experience and impressive track record
- SAP Business One is affordably priced
- Software offers all the main features necessary to effectively integrate the company's business processes
- Software is quick to implement and easy to use

Implementation Highlights:
- Project covered hardware, training and the actual implementation
- Project was successfully completed in early 2006 after six months
- Implementation was done for eight professional users

Key Benefits:
- More competitive with improved customer satisfaction
- Enhanced productivity and efficiency
- Management has maximum control and visibility of the company's business
- Employees freed to focus on analytical and strategic matters
- Solution can scale for the long term

Channel Partner:
- PT Berlian Sistem Informasi

PT Autokorindo Pratama (AKP) aims for constant customer satisfaction by focusing on technology, service, quality and cost. The company is doing well and poised to grow further.

However, AKP's recent success has meant that it needed to upgrade its business systems to further its customer-centric mission. The previous solution AKP used had begun to falter under the company's growth, especially when handling tasks such as invoicing. This meant that employees spent too much time on simple administrative tasks and could not concentrate on more important matters.

At the same time, AKP felt its system did not have enough information to empower top management to make truly effective decisions that could ultimately enhance the company's global competitiveness.

"SAP is the perfect fit with its years of experience and its impressive track record."

Mr. Siswanto, Project Manager, PT Autokorindo Pratama

AKP thus required a strong and reliable system that would enable it to successfully engage the customer and penetrate local and global markets for the long run, and settled on SAP Business One as its system of choice.

Offering the Best Value

"SAP is the perfect fit for us with its years of experience and its impressive track record," said Mr. Siswanto, Project Manager, AKP.

According to Mr. Siswanto, AKP liked SAP Business One as it offered all the features necessary to effectively integrate the company's business processes. In particular, AKP liked SAP Business One for both its ease of use and ease of implementation, as well as for its affordability. More importantly, SAP Business One has the potential to help AKP become more productive and efficient, and thus more competitive.

"This IT system will play a key role in Autokorindo Pratama's ability to successfully penetrate local and global markets."

Mr. Siswanto, Project Manager, PT Autokorindo Pratama

A Better Grasp of the Business

With the software fully implemented, AKP has now enhanced its ability to compete in the local and global markets. SAP Business One has enabled the management team to have maximum control of the company's business, and given AKP overall improvements in productivity and efficiency as well.

The bulk of administrative tasks, such as invoicing and reporting, have been automated. They no longer require so much time to be spent on them, so employees can focus more on analytical and strategic matters such as customer satisfaction.

In addition, AKP can now request comprehensive reports of up-to-date information. This has enabled top management to make better decisions and improved AKP's competitiveness on the global stage.

"This IT system will play a key role in Autokorindo Pratama's ability to successfully penetrate local and global markets."
Mr. Siswanto, Project Manager, PT Autokorindo Pratama

DAEKYEUNG ELECTRIC SYSTEM FINE TUNES PRODUCTION PROWESS WITH SAP

Established in Busan, Korea, Daekyeung Electric System is a leading manufacturer of wiring harnesses for automobiles and heavy equipment. It clients include Volvo Construction Equipment, Ssangyong Motor Company and GMDAT.

AT A GLANCE

Key Challenges:
- Consolidate and streamline business processes following the company's merger and expansion plans
- Adapting to a dynamic market environment

Solutions & Services:
- SAP® Business One

Key Benefit:
- Standardised and streamlined operating processes

Database:
- Microsoft SQL Server

Hardware:
- Assembled System

Operating System:
- Microsoft Windows Server

Following a merger and acquisition of another wiring harness company, Daekyeung Electric System was beleaguered by changes to its business processes. Compounding matters were the company's plans to open a new factory in China and relocate its distribution centre.

> **"Our automobile wires are produced based on individual car designs. Hence production details will alter if car design changes – this happens frequently. That is why we need a solution that is agile and flexible enough to adapt to changes."**
>
> **Dong Wook Kim, Director, Management and Administration Department, Daekyeung Electric System**

The company decided that it would not be able to manage its operation and remain responsive to unpredictable market conditions if it kept its in-house developed enterprise management system. That was what prompted the decision to deploy SAP® Business One.

SAP Business One is perfect for Daekyeung Electric System's operational requirements. Very little customisation is needed and based on what the company has seen so far, the SAP solution is the most efficient to aid the company's expansion plans. SAP Business One enables the company to adopt new technology when it emerges and is flexible enough to scale according to business requirements.

And with its processes re-engineered and streamlined based on industry best practices, the company is confident of competing more effectively than before.

HWASHIN ACHIEVES WORLD-CLASS ASPIRATIONS

Headquartered in South Korea, Hwashin is an automotive parts manufacturer with plants in the US, China and India. It reduced inventory cost by 58% with SAP®.

AT A GLANCE

Solutions & Services:
- mySAP™ Business Suite

Length of Implementation:
- 6 months for Korean headquarters, 4 months for China plant

Key Benefits:
- Achieved positive ROI within a year
- Decreased the time it takes to produce the earnings report by 50%
- Reduced inventory by 58%
- Cut the time it takes to settle sales accounts by 22 days
- Provided clients with insight into production and delivery planning
- Achieved real-time monitoring of inventory and logistics flow

Channel Partner:
- BizTech Consulting

Hardware:
- Fujitsu Prime Power 650 Server

Operating System:
- Solaris 8

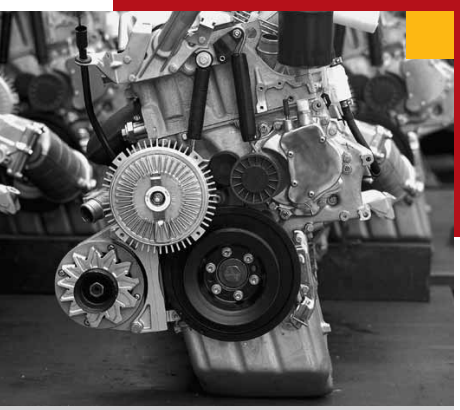
While companies shaved their IT budgets as a survival tactic after the economic crisis in 1998, Hwashin bit the bullet and decided to upgrade its enterprise resource planning (ERP) system to reduce operating costs. This South Korean company is the country's leading manufacturer of automobile chassis and body parts, and has aggressive goals of becoming a world-class automotive parts supplier.

> **"SAP differentiators include multiple currency and language support, scalability and real-time integration of logistics and accounting."**
>
> **Mr. Seo Jin Chung, President, Hwashin**

The upgrade was also spurred by the company's desire to standardise business processes across its Korean headquarters and plants in the US, China and India.

To achieve its objectives, Hwashin decided to build its enterprise system based on SAP because of SAP's ability to integrate information from different departments, and support multiple currencies and languages. By using SAP to integrate logistics and accounting processes, the manufacturer is able to improve planning and performance management.

The SAP solution also gave Hwashin the ability to monitor planning, production, inventory, delivery and sales in real-time. This enables the company to streamline inventory, and conduct cost and profit analysis based on individual product segments. For instance, it reduced inventory cost by 58% from €4.3 million to €1.8 million.



INZI CONTROLS ALIGNS PROCESSES WITH mySAP ALL-IN-ONE

INZI Controls in Korea is a world-class maker of automotive engine parts for major car manufacturers for the local and overseas markets. It implemented SAP® within 90 days, improving its ability to respond quickly to business changes.

AT A GLANCE

Solutions & Services:
- mySAP™ All-in-One

Length of Implementation:
- 90 days

Channel Partner:
- BizTech Consulting

Database:
- Microsoft SQL Enterprise Server 8.0

Hardware:
- IBM Netfinity 6000R

Operating System:
- Microsoft Windows 2000 Advanced Server

With the automobile manufacturing market becoming more saturated and competitive in Korea, INZI Controls decided it was time to tap new opportunities by expanding its operation overseas. In addition, this automotive engine parts manufacturer had to find ways to reduce operating costs in order to tackle a slowdown in the Korean economy.

> **"With the ERP solution, stocks are thoroughly managed, reducing discrepancy between the computer data and the warehouse record. The sales, accounting and purchasing divisions now have shared objectives with a focus on the business profitability."**
>
> Mr. **Jang Hwan Jung , Director, Sales Department, INZI Controls**

However, INZI Controls' legacy enterprise management system was simply not robust enough to meet its future needs. Moreover, the amount of business data staff could draw from the system were also limited. This affected the accounting and planning processes as well as management's ability to minimise operating costs.

INZI Controls implemented BizExpert for Hi-Tech, a mySAP™ All-in-One solution for the High Tech industry, to integrate and streamline its business processes. With this, the manufacturer was able to establish a distribution network that links its factory, business partners, subsidiaries and customers together. This enables INZI Controls to forecast its bill of materials and manage production on a larger scale with increased accuracy. And with business-critical data available in real-time, the company is able to do sales planning on a weekly rather than monthly basis, improving its ability to respond to business changes quickly.

MESSUNG SYSTEMS USES SAP TO GET WELL CONNECTED

Messung Systems is a pioneer in indigenously designed automation products, as well as the sole distributor of Mitsubishi FA products in India. Messung customers include small OEMs and large MNCs.

AT A GLANCE

Key Challenge:
- Integrating its large distribution network on a common information platform

Solutions & Services:
- mySAP™ All-in-One

Key Benefits:
- Less paperwork
- Issues related to material and cash-flow are addressed and planned for on a daily basis

To service a wide customer base, Messung Systems had a large distribution network comprising nine offices, three key distributors, 20 system houses and 10 system integrators across India. However, this large distribution network and its information resources were not integrated, leading to inefficient business processes and delays in decision making.

> **"SAP is user-friendly and error-free, and it is a complete solution for enterprises. SAP lays a comprehensive process road map for the organisation as it comes with a defined set of business processes based on industry best practices."**
>
> Mr. Farook Merchant, Director, Messung Systems

Messung Systems deployed mySAP™ All-in-One to link its distribution facilities together. As a result, the company now has access to an integrated, instantly available flow of information. This means staff only need to enter data once and it will be replicated across relevant departments, thus increasing efficiency. Inventory has also reduced significantly and staff has less paperwork to deal with.

SAP's accurate, up-to-date data has given the management an important tool for decision making and fact-based planning, especially in the areas of material and cash-flow management. In addition, SAP has empowered Messung Systems to respond promptly and effectively to the dynamics of its external environment. On all levels, the company has witnessed an improvement in work discipline.

SAP PASSES PASU'S TEST WITH FLYING COLOURS

Indonesia-based PT Prima Alloy Steel Universal Tbk has enjoyed a strong presence as the leading producer of aluminum alloy wheels and currently employs 950 staff.

AT A GLANCE

Solutions & Services:
- mySAP™ All-in-One

No. of Users:
- 25

No. of Site:
- 1

Length of Implementation:
- 6.5 months

Channel Partner:
- PT Metrodata E-Bisnis

Revenue Turnover:
- €49.4 million

PT Prima Alloy Steel Universal Tbk has been enjoying rapid growth, having established a stable presence in the ever-expanding export market since its establishment in 1984. As Indonesia's leading producer and pioneer of aluminum alloy wheels, its brands – PCW and Panther Wheels – have huge international appeal.

> **"With SAP, we look forward to a number of improvements and we are a step closer to our dream to become one of the world's most famous wheel manufacturers."**
>
> Mr. **Agus Manahan, Director, PT Prima Alloy Steel Universal Tbk**

However, with fierce pressure from rivals in China, Malaysia and the Philippines, it was important for Prima Alloy Steel to maximise productivity and improve efficiency to deliver a greater value proposition to customers and optimise its competitive edge.

To meet the company's increasingly sophisticated market needs, the company decided to replace the existing enterprise software with a more stable solution. Prima Alloy Steel interviewed SAP customers before deciding on FastCast, a mySAP™ All-in-One solution for the Steel Molding industry.

With SAP up and running, the company is enjoying greater levels of productivity and efficiency throughout the organisation. In return, the company is able to pass on cost savings to customers and is now well on track to becoming a household name worldwide.

ASJ RUNS SAP.

Building Materials

Hong Kong

Building Materials

SAP BUSINESS ONE BOOSTS CUSTOMER CONFIDENCE IN TRIGO ENTERPRISES LIMITED

Trigo's business is growing exponentially, but its legacy software could not keep up with the demands on it. Implementing SAP® Business One helped Trigo make better decisions, react to change more quickly, and work more efficiently.

Trigo Enterprises Limited (Trigo) is an expert in providing home owners with all their furnishing and homeware needs. But in order to keep pace with its fast-growing needs, the Hong Kong-based company needed to improve its internal housekeeping.

"SAP is a well-known global brand that has high market penetration. Using SAP Business One will enhance our reputation for good work and instill even more customer confidence in the reliability of our services."

Mr. Benjamin Yin, Executive Director, Trigo Enterprises Limited

Established in 1985, Trigo specialises in the manufacturing and trading of builders' hardware. The company headquarters regularly communicates with manufacturing facilities in Shanghai and Zhongshan, as well as with customers that are mainly Fortune 500 companies in the US, Europe and other overseas markets.

"Trigo's mission is to provide customers with top quality services and accurate product information, which is also the secret to our success," says Mr. Benjamin Yin, Executive Director at Trigo. The company has been working to fulfill its mission by diversifying its offerings and extending services to more companies along the supply chain.

AT A GLANCE

Website:
- www.trigogroup.com

Key Challenges:
- Its old software could not process multiple transactions easily, and lacked standard cost calculation and accounts analysis functions
- Each department used standalone software systems which were incompatible so data could not be integrated in real time

Project Objectives:
- Needed a commercial solution that could grow with the company's needs
- Had to have data from different sources integrated and managed centrally

Solutions & Services:
- SAP® Business One Purchasing, Sales, Stock, Accounting, and Customer Management modules

Why SAP Solution:
- SAP is a reputable vendor with a large installed base
- International partners have all had good experiences with SAP
- Using SAP Business One will enhance Trigo's good reputation and further assure customers that Trigo's services are reliable
- Well-aligned with company's expansion strategy

Key Benefits:
- Scalable solution adapts easily to company's fast-changing business needs
- Streamlined data input reduces manual error and enables management to obtain the latest, most accurate data for making decisions
- Business processes simplified and work efficiency improved
- Enhanced internal procedures increase company transparency, help to ensure corporate governance
- Effectively integrates sales, account management, customer services, and stock into a centralised data system

Channel Partner:
- MAPInTech Consulting Limited

Existing Environment:
- Excel spreadsheets

Database:
- SQL 2000

Hardware:
- HP

Operating System:
- Microsoft Windows 2003 Server

Effective Internal Processes Needed

As the orders poured in, the company found that its legacy software was unable to manage its internal processes and cope with the growth in business.

Simple, everyday business activities such as modification of order forms, editing of product specifications, and updating of stock and sales information worked well before, but became inefficient when large numbers of transactions had to be processed. Management could not get a good overview of the company's business and data could not be shared between departments as each was using different, incompatible software.

The problems were compounded by Trigo's far-flung business relationships across different cities in China and across the world, as well as its emphasis to offer more products and richer services. And with the price of raw materials like aluminium and steel becoming more volatile, up-to-date cost calculation and accounts analysis had become crucial for accurate decision-making.

SAP's Reputation A Winning Factor

SAP Business One was the perfect choice for Trigo. "In order to complement our business growth and satisfy customer requirements, we needed integrated commercial software to assist with our development," explains Mr. Yin.

SAP Business One had been chosen over competing products with the assurance that SAP's reputation would further enhance customers' confidence in Trigo. It also matched Trigo's business expansion strategy very closely. "SAP is a well-known global brand that has high market penetration. Many of our international partners have already profited from installing SAP software. Using SAP Business One will enhance our reputation for good work and instill even more customer confidence in the reliability of our services," he says.

"SAP Business One is reasonably priced, has extensive functions, and is easy to learn. It has simplified business processes and distributes resources more effectively."

Mr. Benjamin Yin, Executive Director, Trigo Enterprises Limited

Business Status Clear At A Glance

Trigo has been extremely pleased with how the business has grown since SAP Business One was implemented. The SAP solution has effectively simplified processes and linked together departmental data from sales, account management, customer services, and stocks in a centralised data processing system.

Unified data processing has reduced human error, and enabled management to obtain the latest, most accurate figures for making decisions. At the end of the day, work efficiency has improved, and Trigo has a system which adapts to the company's expansion needs and helps to implement corporate governance at the same time.

According to Mr. Yin SAP Business One has more than proven its worth by linking the systems and information from different sources across the company. "Management can now understand important financial data and operational information more easily," Mr. Yin concludes.

DAIKIN RUNS SAP

SAP BUSINESS ONE HELPS BEIJING FIRESTONE BROADEN BUSINESS SCOPE

Beijing Firestone Air Spring Co., Ltd. required a system that would integrate inter-departmental data and strengthen internal efficiencies. After implementing SAP® Business One. It has enjoyed better visibility, lower inventory and costs, as well as streamlined workflows.

AT A GLANCE

Key Challenges:
- Unable to communicate with headquarters easily
- Unable to share data between departments effectively
- Lack of visibility into the business
- Unable to link production and purchasing

Project Objectives:
- Make communications with headquarters more efficient
- Achieve high efficiency in the integration of departmental data
- Provide better reports for decision making
- Link production and purchasing

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Concise interface and extensive capability
- Easy implementation, use, and customisation
- Ability to realise customer requirements

Implementation Highlights:
- American Senior Finance Consultant from headquarters oversaw completion of the project
- Project team set up from central management
- Best practices helped to simplify workflow
- Focused on internal communications, personnel training, and department coordination

Key Benefits:
- Marked savings after the implementation of the entire ERP system
- Increased level of customer satisfaction
- Overall visibility has led to better managerial decision making
- Workflow more streamlined
- Departmental data is consolidated, allowing data to be shared and producing better quality reports into the business
- Linked production and purchasing prevents over-purchase of raw materials, reduces inventory
- System for human resources key performance indicators (KPI) was installed

Channel Partner:
- Beijing AVA Technology Co, Ltd.

Database:
- Microsoft SQL Server 2000 Service Pack 3

Hardware:
- IBM Tower Server

Operating System:
- Microsoft Windows 2003 Server

Beijing Firestone Air Spring Co,. Ltd. (Beijing Firestone) is primarily involved in the development, production, and marketing of car or industrial shock absorbers, car suspension systems and related components.

Easy Data Communication Required

As the Chinese subsidiary of a Global 500 company, Beijing Firestone has had a highly developed management structure from Day One. The company has to communicate with its parent company, America Firestone Tyre Company, very frequently and hopes to eventually send business data to the US regularly in the future.

"SAP Business One is an exceedingly comprehensive business management system with a high level of integration and flexibility. We have become more efficient and flexible, and information is shared more easily."

Mr. Wang Xirong, Financial Affairs Manager, Beijing Firestone Air Spring Co., Ltd.

Despite its structure, Beijing Firestone's management had to deal with a lack of visibility over the different departments in the company. The purchasing and production departments in particular were not well-linked, causing problems in the supply and demand of raw materials.

The management at Beijing Firestone decided that inter-department data communication had to be more effective, and that it needed to strengthen operational efficiency. Technology would be the way to go, so that its business data

could be integrated with the financial affairs system at its American headquarters.

The company tried a few well-known domestic management programs to automate the financial side, but soon realised that the systems had limitations and were basically not ideal for their requirements. They had also tried foreign programs but these were expensive, with long installation times, and fundamentally could not satisfy the company's requirements.

SAP's Credibility Gains Client Trust

Beijing Firestone then hooked up with SAP partner Beijing AVA Technology Co., Ltd (AVA), which analysed the company's requirements and recommended SAP® Business One as a solution. Beijing Firestone's parent company understood the importance of implementing the correct ERP system, and even sent a senior finance consultant to aid in the decision and implementation processes.

Beijing Firestone discovered that as a leader in the ERP software distribution industry, SAP suited its business requirements best. With SAP Business One, Beijing Firestone would be able to communicate with its parent company easily. Moreover, the basic edition possessed a good roadmap and strong technical support.

Project Initiatives Guarantee Success

Beijing Firestone started the implementation process for SAP Business One in September 2005. As one of the project objectives was to integrate the company's data, Beijing Firestone placed heavy emphasis on prompt internal data communication, and ensuring that the company's business procedures were streamlined well.

A project group was set up with members from central management in order to coordinate with and support all parties. To guarantee a smoother implementation, the project group made use of methods such as internal communication, personnel training, and department coordination. Guided by SAP's best practices, it overhauled Beijing Firestone's overall enterprise management processes. This simplified the originally complex work procedures, and clarified the work responsibilities of all staff.

Streamlining Data and Reducing Cost

Beijing Firestone was able to reap the benefits from SAP Business One after a two-month implementation.

Beijing Firestone's leaders have applauded SAP Business One's capabilities and relatively low set up and maintenance costs. They have seen SAP Business One increase operating efficiency at Beijing Firestone and reduce costs at the same time.

"SAP Business One is an exceedingly comprehensive business management system with a high level of integration and flexibility. We have become more efficient and flexible, and information is shared more easily," says Mr. Wang Xirong, the Financial Affairs Manager for Beijing Firestone Air Spring Co., Ltd.

"Thanks to SAP Business One, the production and purchasing departments are able to accurately forecast production quantities for specific time periods. This has resulted in better visibility and effectively ensured the optimum supply of raw materials."

Mr. Wang Xirong, Financial Affairs Manager, Beijing Firestone Air Spring Co., Ltd.

Besides transforming workflows, SAP Business One has ensured that business data is integrated, consistent, and always up-to-date. A system for human resources key performance indicators (KPI) was also installed.

All this has helped the company's management to conveniently obtain statistics for making decisions, creating a more efficient business and well-defined operating policies. For example, the time it now takes to process data has effectively shortened the marketing-to-delivery period and increased the level of customer satisfaction.

The integration of data has helped inventory management in particular. With production and purchase mechanisms synchronised, the purchases of raw materials are now based on proper planning, strengthened the efficient use of production resources and reducing wastage.

"Thanks to SAP Business One, the production and purchasing departments are able to accurately forecast production quantities for specific time periods. This has resulted in better visibility and effectively ensured the optimum supply of raw materials," says Mr. Wang.

Chemicals

China

Chemicals

SAP HELPS PUT POWER INTO XIANGLU PETROCHEMICALS

China's Xianglu Petrochemicals (Xiamen) Co. Ltd. recently built a modern plant in Xiamen, Fujian. Xianglu was having trouble managing flow of information throughout the company as it expanded and found the solution in SAP®.

"We wanted a relationship with a business software company that understands our industry," says Mr. Ke Yiping, CIO of Xianglu Petrochemicals (Xiamen) Co. Ltd., a Chinese manufacturer of pure terephthalic acid (PTA) with a plant in Xiamen, Fujian. "Not only does SAP support many large chemical companies all over the world, it also has a very strong presence in China."

Mr. Ke also praises the effectiveness of the SAP solution for enterprise resource planning (ERP), in particular its scalability, the high degree of integration between the various components and applications, and the fact that industry best practices are incorporated into workflows and functionality.

And for Xianglu, implementing the full suite of SAP software for ERP meant having the ability to compete more effectively in a tough marketplace.

A Relative Newcomer

Xianglu Petrochemicals is actually a relative newcomer to the Asian chemicals industry. The company's massive facility in Fujian Province's port city of Xiamen was completed only a few years ago, with production beginning in late 2002. Yet despite its status as a start-up, Xianglu has made quite an impact on the chemicals industry: it operates the largest single PTA production line in the world – with an annual output of 900,000 tons – and even maintains a dedicated deepwater port to receive incoming shipments of raw materials and ship PTA on to customers.

AT A GLANCE

Website:
- www.xmxl.com

Key Challenges:
- Automate labour-intensive data entry processes and reduce error rate
- Promote collaboration between functional areas and departments
- Streamline auditing, controlling, and financial reporting
- Give senior management real-time insight into financial and operational results
- Reduce operational costs
- Strengthen internal controls

Project Objective:
- Replace incompatible legacy systems with integrated IT platform

Solutions & Services:
- SAP's ERP solution
- SAP NetWeaver® Business Intelligence component

Why SAP Solution:
- Single source for key processes
- Standardised workflows based on industry best practices
- Out-of-the-box integration, to reduce implementation and maintenance costs
- Reliability and stability of SAP software and SAP as a company
- SAP's track record as vendor of choice for chemicals concerns

Implementation Highlights:
- Implemented solution in 2 phases
- Used in-house implementation team for deployment activities
- Linked several key legacy systems to SAP software

Key Benefits:
- Access to real-time, accurate information, which supports strategic decision making
- New levels of collaboration, visibility, and cooperation throughout company
- Better materials management, resulting in reduction of stocks and faster throughput
- Reduction in time needed to prepare monthly closing reports (from 8 days to 1 to 2 days)

Channel Partner:
- Digital China

Database:
- Microsoft SQL

Hardware:
- Dell PowerEdge & HP

Operating System:
- Microsoft Windows 2000 Advanced Server

It's not easy to manufacture PTA, a fine powder used to make a wide range of polyester products like fibers, plastic bottles, and films. The manufacturing process includes a number of stages and processes, including reaction, crystallisation, separation, drying, recovery of solvents, and treatment of effluents. Having made a heavy investment in facilities and equipment, Xianglu must minimise manufacturing costs in order to generate healthy earnings growth. Furthermore, though PTA is much in demand within the global economy, it is considered a commodity chemical, which means that Xianglu has little control over pricing. To succeed, the company depends on process improvements, cost savings, and rapid response to market opportunities.

"We designed a number of links so that SAP could read the data in the former systems and vice versa. This was a real testimony to the creativity of our implementation team and to the flexibility and scalability of SAP software."

Mr. Ke Yiping, CIO, Xianglu Petrochemicals (Xiamen) Co. Ltd.

The Need for Better Information

At its founding, Xianglu deployed a number of IT solutions to manage core processes such as sales forecasting, procurement, production planning, and finance. While the various applications did a reasonably good job of managing isolated activities, the company suffered from a lack of integration between systems. In the operations area, for example, employees had to manually re-key information to transfer it from one unit to another, which resulted in many hours of clerical labour and an uncomfortably high error rate. As a result, operations managers found it difficult to get timely information on inventories of raw materials, while sales people were frustrated by their inability to give customers fast answers about order fulfillment.

It was also hard for senior management to make tactical moves or develop strategic plans. Armed only with outdated or inaccurate information on logistics, production, or capital flows, leaders were restricted when it came to making decisions about expanding into new markets or adding capacity to take advantage of market opportunities.

The lack of integration was also having an impact on accounting, budgeting, and profitability. The billing process, for example, was hampered by silo-based applications: getting invoices from the warehouse to the financial department was so slow that settlement intervals were far longer than necessary. The monthly settlement process was also slow and labour-intensive. Closing the books at the end of each monthly period took approximately eight days and required such a commitment of time and energy that managers found themselves postponing other jobs that needed their attention. Even a relatively simple task like obtaining a list of materials consumed during the production process was cumbersome: the reports could only be produced at the end of each month, leaving a long period of time during which production leaders and financial managers had to rely on rough estimates of how much material had been utilised and how much remained in the warehouse.

Taking the Next Step

To help address these problems, Xianglu Petrochemicals concluded that its outdated legacy systems would have to be replaced with an integrated solution. After a thorough assessment of competitive offerings, the company chose SAP's ERP solution because of its comprehensive functionality ranging from plant maintenance to human capital management to materials and financial management through controlling and sales and distribution. Mr. Ke also mentions that Xianglu was

impressed with SAP's longevity and financial strength, the breadth and depth of its partner network, and the affordability of maintenance and upgrades.

As part of the second phase, the company also deployed the SAP NetWeaver® Business Intelligence component to gain additional reporting and analysis capabilities.

Two-Phased Implementation

A lean implementation team from Xianglu's enterprise consulting department – supported by Digital China – kicked off the two-phase project that was completed 15 months later. The team members worked steadily to cleanse master data and migrate processes to the new SAP software. In several instances, Mr. Ke and his team concluded that it made sense to maintain key legacy applications such as the company's tax declaration software and equipment control system. "We designed a number of links so that SAP could read the data in the former systems and vice versa," says Mr. Ke. "This was a real testimony to the creativity of our implementation team and to the flexibility and scalability of SAP software."

"Our SAP software can automatically collect, categorise, verify, store, and share information. This helps us run a very orderly operation because it helps ensure accurate information and boosts efficiency."

Mr. Ke Yiping, CIO, Xianglu Petrochemicals (Xiamen) Co. Ltd.

Streamlined Operations

After going live with its SAP software, Xianglu began to experience marked improvements in process efficiency, business performance, and customer satisfaction. Functional areas like manufacturing, forecasting, procurement, and sales were linked via integrated applications, and information could now be shared and viewed by those who needed it. Employees who had been spending an uncomfortable amount of time reentering data were now free to take on more productive tasks. The error rate was also sharply reduced, and senior managers finally had the cross-enterprise data they needed to make timely decisions.

Xianglu also substantially improved its ability to manage risks. Alerted by real-time information on supplier delivery problems, equipment malfunctions, or other exceptions, leaders could now respond quickly and solve problems before they had an adverse effect on operations. Another positive result was Xianglu's ability to make quick moves in response to market opportunities. "Our SAP software can automatically collect, categorise, verify, store, and share information," says Mr. Ke. "This helps us run a very orderly operation because it helps ensure accurate information and boosts efficiency."

One area that has benefited significantly from the SAP installation is materials management, a vitally important activity for any chemicals company. Materials-related processes that used to be measured in days have now been reduced to minutes in many cases. An inquiry about stocks of raw materials, for example, used to require at least half a day – it now takes about a minute. Similarly, an analysis of the value of stored materials, which used to take two full days, now requires five minutes or less. "It's not just the speed that's important," notes Mr. Ke. "With SAP software, the accuracy of our data has improved by a substantial margin. As a result, we're doing a much better job of ordering, storing, and moving our materials."

Streamlined Financial Management

Xianglu has also benefited from an improvement in its financial management processes. Employees can perform key activities like customer credit analysis and budgeting much faster, while financial personnel find it much easier

to collect, analyse, and share the information that supports the company's controlling and auditing functions. The finance department can also track and assess the value and carrying costs of Xianglu's inventory – at various stages of production (from planning through manufacturing) and at its distribution centres or customer premises, for example. This accurate real-time information gives the company a clear picture of profitability and helps reduce the cost of doing business.

With less time spent through documents, amalgamating spreadsheets, and processing information manually, managers can perform tasks like calculation of monthly salaries or determining periodic costs much more easily. And finally, company accountants can prepare the monthly closing statement in just one to two days – a task that used to take eight days or more.

"SAP software helps us knit our company together. We've eliminated much of the busy work and frustration, and the improved work environment has resulted in a real boost to morale."

Mr. Ke Yiping, CIO, Xianglu Petrochemicals (Xiamen) Co. Ltd.

Competing in the Global Economy

With the SAP software in place, Xianglu's senior managers now have a clear view of company processes, resources, and capital and the tools for effective management. This enhanced level of control – which spans many activities and assets, including receivables, loans, inventory, capital forecasts, logistics, and fulfillment – has resulted in a substantial improvement in financial performance. Thanks to reduced inventories of raw materials and spare parts, for example, the company has been able to improve its cash flow.

Equally important, according to CIO Ke, is the impact on customers, suppliers, and employees. "Since the SAP implementation, we've been able to create an improved work environment for our employees and a much friendlier business interface for our suppliers," he says. "And our customers appreciate the fact that we can answer their questions quickly. They like having up-to-date information on their orders and they have noted an improvement in the consistency and accuracy of our billing."

Boosting Morale

Business software from SAP has become the daily work platform for a wide range of users at Xianglu Petrochemicals. For senior managers, it serves as the information source that supports strategic decision making. Midlevel managers use SAP software to help control processes, collaborate with other departments, and analyse current performance numbers against budgeted targets. Employees can access job-related information provided by the SAP software for human capital management. "SAP software helps us knit our company together," says Mr. Ke. "We've eliminated much of the busy work and frustration, and the improved work environment has resulted in a real boost to morale."

Another surefire way to boost company morale is to increase sales and gain market share. Despite its status as a newcomer in the industry, Xianglu has rapidly become a force to be reckoned with. Thanks in part to SAP software, Xianglu has surpassed many rivals in the hypercompetitive Chinese petrochemicals sector and now ranks as the number four concern behind three large, well-established competitors. That's quite an accomplishment for a firm that shipped its first order of PTA in late 2002.

TSIT WING
RUNS
SAP.

SAP RAISES OPERATIONAL STANDARDS FOR KANKUN TRADING

Kankun Trading Ltd, Shanghai chose SAP® Business One to solve all its management problems in order to help the management grow with the industry. With the solution, the company has attained an automated, integrated business system that provides accurate and real-time data.

AT A GLANCE

Website:
- www.kankun.com.cn

Key Challenges:
- Excel spreadsheet could not handle too much data
- Unable to effectively manage the flow of funds, logistics and information
- Unable to get real-time information for reliable decision making
- Could not integrate business data with financial data

Project Objectives:
- Implement a system that is highly efficient, stable and flexible
- Integrate data from various departments
- Allow real-time and accurate information to help in the decision making process
- Allow better inventory tracking
- Improve productivity

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP has a good reputation
- SAP Business One supports customisation, especially of reports

Channel Partner:
- Zi Guang Consultation

Key Benefits:
- Departmental data was integrated, reducing redundancy and therefore workload
- Information became more real-time and accurate
- Leaders get an overall view of company's business to help in better decision making
- Streamlined workflow
- Lower inventory
- Enhanced management of sales and accounts receivables
- Reduced usage of working capital

Existing Environment:
- Excel spreadsheets

Database:
- SQL Server

Hardware:
- Dell Server

Operating System:
- Microsoft Windows

Incorporated in 1996, Kankun Trading Ltd, Shanghai (Kankun) provides its customers with top quality lubricants, adhesives and related equipment, as well as professional consultation and services. The company has expanded quickly from a small scale lubricant agent to a top enterprise with annual revenues of over RMB100 million (US$12.8 million).

Growth Leads to Need for IT

Kankun found that success externally is not automatically mirrored internally. The company represents many well-known foreign brands and deals with clients and downstream business partners all over the country, accumulating high volumes of financial and business transactions every month.

"SAP Business One caters to the special needs of small and medium enterprises. This is the most fundamental reason we chose SAP Business One."

Mr. Liu Wenqing, Officer-in-charge, Process Department, Kankun, Shanghai

These transactions could no longer be handled by Excel spreadsheets of which Kankun used in the initial stage, due to Excel's limitation. As a result, Kankun could only generated a simple compilation of post-transaction business data.

The unsophisticated reports did not allow Kankun to manage its operations effectively. It could not track the flow

of funds or logistics. Workflow was complex, and data often inaccurate. Finance department was unaware of changes in the company's accounts receivable and accounts payable as business conditions changed due to the lack of departmental integration. Neither could management devise accurate strategies promptly.

SAP Scores on Brand Reputation

As a growing enterprise, Kankun first looked at the local software vendors but could not find anything suitable. SAP Business One was then introduced to Kankun by Zi Guang Consultation. The ERP selection team saw that SAP has a well-known brand name, and was attracted by the advanced management concepts and comprehensive functions offered by SAP Business One.

Kankun discovered that SAP Business One could fundamentally fulfill its initial functional requirements. It also noted the solution's support for integrated workflow could effectively help Kankun raise its operational standards. The solution also has powerful report interfaces that support customisation, which is important especially for staff who require high quality information.

"SAP's products are well-known in the industry, and there are many cases of successful applications. We have full confidence in SAP," says Mr. Liu Wenqing, Officer-in-charge of the Process Department at Kankun, Shanghai. "SAP Business One caters to the special needs of small and medium enterprises. This is the most fundamental reason we chose SAP Business One."

Better Workflow Ensures Success

From the start of the project implementation, the project team included personnel from Kankun's management, process department and operations department, as well as Zi Guang's implementation consultants.

"Our ideal system has to be highly efficient, stable and flexible to address Kankun's need to share information between departments and improve work productivity," says Mr. Liu.

Kankun decided to revamp its overall workflow, and adopted SAP's best practices to help it standardise internal processes. Best practices also enabled the various departments to share information more quickly, where business data is integrated into a single repository.

Kankun's management was determined to support the project, and was very much behind the adoption of the re-engineered business processes that SAP Business One required to raise the operational standards.

"Our ideal system has to be highly efficient, stable and flexible to address Kankun's need to share information between departments and improve work productivity."

Mr. Liu Wenqing, Officer-in-charge, Process Department, Kankun, Shanghai

"All the departments actively participated in the project. This enabled the new business processes to be endorsed by everyone in a short time," says Mr. Liu.

The project team also worked on customisation due to Kankun's industry requirements. Customised reports were easily created with SAP Business One's report development tool.

More Effective Management

Kankun's SAP Business One implementation went live successfully within three months of intense work, improving the company's operational efficiency significantly with an automated, integrated system enterprise-wide. Data can now be shared, reducing redundancy and reducing staff workload.

In addition, SAP Business One provided Kankun with rapid and prompt access to accurate key business data in real-time. Data which used to be compiled only after the transaction was done can now be reflected in the system promptly. This helped the leaders get an overall view of the company's business and help better decision making.

Internally, Kankun has seen a number of other benefits as a result of adopting SAP Business One. The software has not only helped to improve productivity, but also streamlined workflow. More importantly, costs have been reduced through lowered inventory levels, enhanced management of sales and accounts receivable, and decreased usage of working capital.

PT BIGGY CEMERLANG EXPERIENCES SMOOTHER BUSINESS PROCESSES WITH SAP BUSINESS ONE

PT Biggy Cemerlang required an integrated solution to eliminate work process problems. With SAP® Business One, Biggy Cemerlang has gained better control of all the company's workflow and has improved overall efficiency and productivity.

AT A GLANCE

Website:
- www.biggy.co.id

Key Challenges:
- Generating reports was difficult, and accuracy was very low
- Leadership team could not analyse their inventory and control overstock
- Losses in the warehouse and production line could not be detected
- Company's business processes were not integrated causing inefficiencies

Project Objectives:
- Achieve maximum efficiency and productivity within the company
- Integrate the company's business processes
- Add value to customers and enable innovation
- Streamline operations for better analysis of inventory and control of overstock
- Detect losses in warehouse and production processes
- Generate accurate reports efficiently

Solutions & Services:
- SAP® Business One; Production, Finance & Accounting, sales, purchasing, inventory, banking, and business partner

Why SAP Solution:
- SAP is a big trusted name with over 30 years of experience with tens of thousands of customers worldwide
- SAP supports Biggy Cemerlang vision and mission
- The support staff are highly qualified and cooperative
- SAP Business One comes with strong after sales support
- SAP Business One is affordably priced

Implementation Highlights:
- The implementation was done for nine professional users and three CRM users
- Installation took eight weeks

Key Benefits:
- Improved efficiency and productivity
- Better control of all the company's processes
- Ability to generate accurate reports efficiently
- Improved analysis of inventory
- Detection of any losses incurred in the warehouse or during production process
- Better control of overstock

Channel Partner:
- PT Metrodata E-Bisnis

PT Biggy Cemerlang, a fast growing manufacturer of injection and blow plastics moulding for the domestic and export markets, specialises in the packaging needs of multi-national corporations.

Rapid growth of the company had led to flagging productivity and uncovered operational inefficiencies. Generating accurate reports was highly difficult, as data across the company had not been integrated. Data often had to be keyed in multiple times, leading to potential errors and inconsistencies, and was not updated immediately to reflect various changes.

"SAP is a trusted name with over 30 years of experience and tens of thousands of customers worldwide, and SAP Business One is an affordable, integrated solution with strong after-sales support."

Mr. Jusephus, Operational Director of PT Biggy Cemerlang

Legacy System Fosters Inventory Troubles

Inventory problems, in particular, were cropping up regularly. The general lack of visibility had been compounded by overstock challenges, and the company's inability to detect losses incurred either in the warehouse or during the production process.

Biggy Cemerlang's management decided that it was critical to implement an integrated solution in order to improve efficiency and productivity. Integrating the company's business processes could streamline the operations of the company and potentially enable it to bring new, innovative services to customers more quickly.

SAP Business One Fits Budget, Priorities

After researching a number of local and multinational software vendors in the market, Biggy Cemerlang finally chose SAP for its reputation and alignment with its own vision.

"SAP is a trusted name with over 30 years of experience and tens of thousands of customers worldwide," explains Mr. Jusephus, Operational Director, PT Biggy Cemerlang. "SAP Business One is an affordable, integrated solution with strong after-sales support. The staff are highly qualified and cooperative."

"SAP supports our company vision and mission to become the market leader by adding value to customers and enabling innovation," he adds.

Positive Results Guaranteed

With SAP Business One installed, Biggy Cemerlang has become more efficient and productive. Since the company's business processes have been integrated, Biggy Cemerlang has enjoyed the availability of reliable reports in real-time that have enhanced the decision-making process and helped to generate customer-facing ideas that have increased its competitiveness.

Inventory status is up to date as well, with much fewer overstocks. Best of all, Biggy Cemerlang has stemmed losses sustained in the warehouse or during the production process through the improved visibility enabled by SAP Business One.

Concentrating on Core Growth

"Having eliminated work process problems with SAP Business One, we can now work in an even more productive manner towards achieving a higher customer satisfaction," explains Mr. Jusephus.

"Having eliminated work process problems with SAP Business One, we can now work in an even more productive manner towards achieving a higher customer satisfaction."

Mr. Jusephus, Operational Director of PT Biggy Cemerlang

SAP Business One has brought so many benefits to Biggy Cemerlang that the company now plans to allow more staff to leverage on its functionality. Future stages will see more users being cleared to use the system.

TRELLEBORG HERCULES RE-ENGINEERS INTERNAL OPERATIONS WITH mySAP ALL-IN-ONE

Trelleborg Hercules had a legacy materials resource planning (MRP) system that was unable to scale up and meet the reporting requirements of the company's head office. The polymer solutions provider replaced the MRP system with Chem-XPress, a mySAP™ All-in-One solution.

AT A GLANCE

Website:
- www.trelleborg.com/hercules/

Key Challenges:
- More complex reporting requirements after the acquisition by Trelleborg in 2001
- Inability to retrieve accurate critical information in a timely fashion
- Inefficient manual-based production planning process

Project Objectives:
- Increase the visibility of the company's operational processes
- Automate the company's accounting, sales and production processes using an integrated real-time enterprise system
- Meet the headquarters' reporting requirements

Solutions & Services:
- Chem-XPress, a mySAP™ All-in-One solution

Why SAP Solution:
- The solution addresses the unique requirements of the company's operational processes

Implementation Highlights:
- Implemented in two phases
- Extensive training and user acceptance tests

Key Benefits:
- Increased process efficiencies and reduced cycle times
- Improved decision-making process, data management and accuracy
- Enables management to analyse business information and make strategic decision quickly
- Profit margins and material costs are computed promptly, reducing sales response times
- Enhanced reporting capabilities to headquarters

Channel Partner:
- ISS Consulting

It is not often that a local subsidiary has influence over the enterprise system that its global headquarters and other worldwide business divisions use. But Singapore-based Trelleborg Hercules Pte Ltd's successful implementation of mySAP All-in-One has prompted other companies under the Trelleborg Group to consider migrating to a SAP platform as well.

"What we had done with mySAP All-in-One became a very good model for other Trelleborg companies to follow. We have implemented the system within budget and we can now produce the reports our head office wants any time," says Ms. Doreen Ong, Business Controller of Trelleborg Hercules.

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Ms. Doreen Ong, Business Controller, Trelleborg Hercules Pte Ltd

But things were not always so smooth going for the 200 – strong manufacturer and distributor of polymeric materials that are used in the infrastructure, construction, and offshore oil and gas industries.

Change is Inevitable

Formerly known as Hercules Rubber & Chemical Industries, the company was acquired by Sweden-based Trelleborg Group in 2001. It currently operates as a business unit under Trelleborg Engineered Systems and produces specialised components such as grout seals, diaphragm closures, fenders, and dredging hoses.

As the company's reporting requirements became more complex after the acquisition, management had no choice but to review the enterprise management platform it was using. "Monthly reports had to now be broken down into details by sales, product category, country, internal or external customers, Ms. Ong explains.

Compounding matters was a growing concern over the company's inability to retrieve accurate product costs in a timely fashion.

"In order for our sales team to give competitive quotations, they must have our product costs at their finger tips. Integrating such information into a real-time system became a priority as it would enhance the sales team's ability to determine profit margins and increase the company's competitiveness."

Ms. Doreen Ong, Business Controller, Trelleborg Hercules Pte Ltd

"In order for our sales team to give competitive quotations, they must have our product costs at their finger tips. Integrating such information into a real-time system became a priority as it would enhance the sales team's ability to determine profit margins and increase the company's competitiveness," says Ms. Ong. These include the costs of procuring raw materials, as well as the cost of each component and process used in the assembly of the final product.

However, the search for the right enterprise resource planning (ERP) solution was not an easy one. "Trelleborg Hercules evaluated a number of solution vendors, but none of them made the cut as they did not understand the complex requirements of the polymer industry," she says.

Trelleborg Hercules finally found a technology partner who understood its needs in ISS Consulting, a SAP business partner for mySAP All-in-One solutions. "We were very impressed by ISS Consulting who showed us the rich industry-specific functionality of the SAP solution," says Ms. Ong. "More importantly, they understood our business and challenges very well."

Gaining Acceptance

Trelleborg Hercules' deployment of mySAP All-in-One was carried out in two phases. The first phase began in March 2004 and took five months to complete. The modules implemented included Finance and Controlling (FI/CO), Sales and Distribution (SD) and Materials Management (MM). The Production Planning (PP) module, including product costing, was deployed in the second phase and went live within four months.

In order to ensure that the company's unique requirements were fully addressed, the project team conducted extensive training and user acceptance tests throughout the implementation period. The transition process also involved the classification of Trelleborg Hercules' product line of over 1,000 items that were spread over various divisions.

Getting end-users' buy-in was not an easy undertaking either. Staff were used to the manual-based production planning process which they sometimes managed with the help of spreadsheets, and were resistant to change.

"There were a lot of complaints initially. So support from top management to endorse the benefits of the new SAP system was very critical," emphasises Ms. Ong.

A Model Company

Since implementing mySAP All-in-One, Trelleborg Hercules has experienced increased process efficiencies and shorter cycle times. The new system also presented the perfect opportunity to inculcate the value of best practices and quality control among the staff.

"Our production staff never had such an advanced system in the past. Before SAP, they were using paper or self-created excel spreadsheets to record material usage and costs. Now, everything is kept in the system. They don't have to worry about data management and integrity anymore," says Ms. Ong.

Data accuracy improved by leaps and bounds as well. This was a bonus for the accounting staff as the new system is able to perform accurate currency conversions for international sales. And since data is available instantaneously, any discrepancy can be quickly captured and accounted for. Profit margins and material costs are computed automatically too, reducing the company's sales response times significantly.

In addition to helping the management run a tighter ship, SAP is proving to be an invaluable analytical tool for the decision-making process.

"With a click of the button, you can drill down to client history and product sales for the year, and see how you can increase your margins by entering your cost and desired profit figures. This insight allows us to make strategic decisions quickly," says Ms. Ong. And if there is a need to reduce cost, this system enables management to consider using substitute compounds or look for a cheaper supplier.

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Ms. Doreen Ong, Business Controller, Trelleborg Hercules Pte Ltd

Although this journey of enterprise transformation had its share of initial hurdles, it concluded with a "happy ending".

"Everybody is now very satisfied with mySAP All-in-One. And with the information we can extract from the system, we are able to give our head office a good overview of our operation here," says Ms. Ong.

THE CHICKEN RICE SHOP RUNS SAP

TTC INDUSTRIAL GETS BIRD'S EYE VIEW OF OPERATIONS WITH SAP BUSINESS ONE

TTC Industrial Co., Ltd was using accounting software to manage its operations. However, this proved to be inefficient and affected staff productivity. SAP® Business One was deployed, integrating the company's processes and departments on a centralised platform.

AT A GLANCE

Website:
- www.ws-intl.com/ttc

Key Challenges:
- Company was unable to keep track of the production status and fulfill orders cost efficiently
- There was a lack of system integration between the sales, purchasing and accounting departments
- Staff were tied down with the repetitive and time-consuming task of data entry

Project Objectives:
- Upgrade the company's IT infrastructure, centralising and integrating it on a standardised platform
- Enable management to evaluate sales performance on a weekly basis

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP is a trusted brand
- Management likes SAP's vision of SAP Business One

Implementation Highlights:
- Implemented within 1 month
- Implementation process is divided into three stages: user, software and business process

Key Benefits:
- Eliminated the need for manual entry of data, resulting in time savings of four hours daily
- Gained a clear overview of the company's operation, tracing jobs as they progress from the headquarters to the factories
- Tracked on-hand inventory and stock transactions across different sites
- Reduced the time it takes to prepare the monthly profit and loss statement and balance sheets
- Ability to evaluate sales performance on a weekly basis, enhancing the decision-making process

Channel Partner:
- Humanica Co.,Ltd.

Database:
- SQL Server

Hardware:
- IBM

Operating System:
- Microsoft Windows 2003 Server

Running a manufacturing operation requires careful planning. Without an IT system to keep track of customers' requirements and inventory levels, for instance, can result in expensive mistakes and customer dissatisfaction. These are problems that TTC Industrial wants to avoid at all cost, leading to the company's decision to upgrade its legacy IT infrastructure in May 2006.

Based in Thailand, TTC Industrial has more than 10 years of experience in manufacturing high quality plastic valves, including products like PVC ball valves, PVC compression fittings, PVC flanges and pressure fittings. It has a staff strength of more than 300 people who have the heavy responsibility of managing TTC Industrial's 100 stock keeping units (SKUs).

"We chose SAP because we have great trust in the brand and we like the vision that SAP has for SAP Business One."

Mr. Joe Lohasirichai, Manager, TTC Industrial Co., Ltd

Legacy Issues

With an average of 100 sales transactions coming in each month, TTC Industrial required a centralised business management system that would enable staff to enter and retrieve business-critical data in real-time. Without this capability, the company would not be able to keep track of the production status and fulfill orders.

However, it was using accounting software which was incapable of managing the entire process efficiently – from the time a sales staff enters an order, to purchasing materials, manufacturing the products and delivering them to the customer.

Adding to the issue was the lack of software integration between the departments. This meant that staff were constantly bogged down with the repetitive and time-consuming task of entering the same data into the sales, purchasing and accounting systems. This also prevented them from focusing on work that could enhance top- and bottom-line growth for TTC Industrial.

After identifying the pain points and reviewing the products in the market, the solution of choice was SAP Business One.

"We chose SAP because we have great trust in the brand and we like the vision that SAP has for SAP Business One," said Mr. Joe Lohasirichai, Manager, TTC Industrial.

Relieving Pain Points with SAP

After consultation and planning with the implementation partner, Humanica Ltd, SAP Business One went live within one month.

With SAP Business One as the centralised platform integrating all the different departments together, staff are able to retrieve business-critical data in real-time. The SAP system has also eliminated the need for manual entry of data, resulting in time savings of four hours daily.

Another plus of the SAP system is that management can now have a clear overview of its operations, tracing jobs as they progress from the headquarters to the factories. In addition, TTC Industrial is able to track on-hand inventory and stock transactions across different sites.

"SAP Business One has also decreased the time it takes for us to prepare the monthly profit and loss statement and balance sheet. With it, we are able to evaluate our sales performance on a weekly basis, enhancing our decision-making process."

Mr. Joe Lohasirichai, Manager, TTC Industrial Co., Ltd

"SAP Business One has also decreased the time it takes for us to prepare the monthly profit and loss statement and balance sheets. With it, we are able to evaluate our sales performance on a weekly basis, enhancing our decision-making process," said Mr. Lohasirichai.

ASIA STABILIZERS OBTAINS CONSISTENT VIEW WITH SAP

Headquartered in Korea, Asia Stabilizers is jointly incorporated by Great Lake Chemical Co and Miwon Commercial Co. It manufactures oxidation inhibitors and ultraviolet ray stabilisers.

AT A GLANCE

Solutions & Services:
- SAP's ERP solutions

No. of Users:
- 15

Length of Implementation:
- 3 months

Channel Partner:
- BSG

Hardware:
- HP Proliant ML570

Operating System:
- Microsoft Windows NT 2000 Serve

Asia Stabilizers, a Korean company specialising in manufacturing oxidation inhibitors and ultraviolet ray stabilisers, faced a unique challenge when looking for an appropriate enterprise resource planning (ERP) software due to its multinational make up.

Jointly incorporated in 1996 by Great Lake Chemical Co in the US and Miwon Commercial Co in Korea, Asia Stabilizers had to make sure the ERP solution was compatible with both the US and Korean accounting standards. The different accounting standards of its two shareholders were making it difficult for the company to create a consistent statement of accounts on time. To compound matters, most management and administration data were in hardcopy, preventing information sharing, collaboration, and cost and profit analysis.

> **"The SAP solution, completed within three months, has brought out outstanding results exceeding our expectations."**
>
> Mr. Sun Bok Lee, Head of Finance Department, Asia Stabilizers

With the SAP solution, however, Asia Stabilizers was able to reduce the account balancing period from seven days to three days. The solution also reformed its business processes and raised employee morale. For instance, it introduced industry best practices and internal accounting controls that gave the management team the confidence to ensure financial transparency.

Finally, the SAP solution allows data to be consistently shared across all departments, enabling collaboration and strategic planning.

DONGWOO FINE-CHEM ACHIEVES EQUILIBRIUM WITH mySAP ALL-IN-ONE

Dongwoo Fine-Chem makes high-purity semiconductor chemicals and has since expanded into the TFT-LCD materials business. It has two subsidiaries which produce LCD color filters and polarizing films.

AT A GLANCE

Solutions & Services:
- mySAP™ All-in-One

Length of Implementation:
- 8 months

Channel Partner:
- BSG

Hardware:
- IBMx Series 440

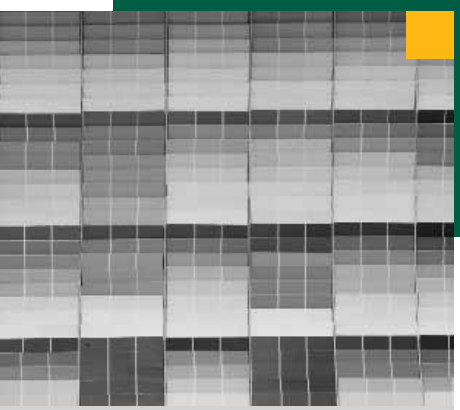
Operating System:
- Windows 2000 Server

As a leading chemical materials manufacturer in Korea, Dongwoo Fine-Chem understood that a scalable enterprise management system would help the company remain competitive in a global marketplace. This was what prompted the company to turn to SAP when it faced problems managing its two subsidiaries – Dongwoo STI and Dongwoo Optical Materials – and its factory and research centre.

> **"In addition to reducing purchasing cost and raw material inventory, mySAP All-in-One has allowed us to make decisions faster, enhancing our productivity as a result."**
>
> Mr. Jong Gil Jung , Head of Planning and Development Team, Dongwoo Fine-Chem

In the past, sharing information was an uphill task as each department operated on disparate and incompatible systems, which hampered production, finance and shipment decision making and information sharing. To resolve these issues, Dongwoo Fine-Chem implemented SMARTfit-Chemical, a mySAP™ All-in-One solution as well as SAP's Enterprise Information Portal (EIP).

Not only has the SAP solution improved inter-department and inter-company communication and collaboration, it has also simplified the authorisation and payment processes. This allows Dongwoo Fine-Chem to share resources, coordinate and strategise more efficiently as an enterprise. A wide range of reporting functions also allow departments to share data such as order, stock, production and sales information, thus minimising inventory of raw materials and reducing purchasing costs.



DYNO PAINTS GETS A BUSINESS MAKEOVER FROM SAP

Dyno Paints Limited is a decorative and industrial coatings manufacturer that was established in 1981 in Thailand. It is the sole distributor of industrial coatings brands like Rust-Oleum, Denso Tape and Flame Control.

AT A GLANCE

Key Challenge:
- Lack of integration between the sales and finance departments affected business efficiency and decision making

Solutions & Services:
- SAP's ERP solutions

Length of Implementation:
- 6 months

Key Benefit:
- Improved inventory management, sales forecasting and strategic planning processes

Set up in 1981, Dyno Paints Limited is a family-run enterprise that specialises in manufacturing and selling decorative and industrial coatings. To support its expanding export business, the Thailand-based company needed enterprise software to manage its production and procurement processes.

Although it found one such solution in 1999, Dyno Paints had to maintain two separate databases to support the sales and finance departments. This was not the most efficient way of working as data had to be manually entered twice, resulting in human errors that affected the material requirements planning (MRP) process. The time lag between when data was collected and entered into the two databases also prevented them from gathering up-to-date information for business analysis and decision making.

> **"We believe SAP can help us grow our business and plays an important role in our strategic planning."**
>
> Mr. Malee Asavathiratham, Division Sales Manager, Dyno Paints Limited

After evaluating many of SAP's reference clients in the manufacturing sector, Dyno Paints decided that SAP was well positioned to solve its business pain points and reduce operating costs.

In the end, SAP did more than just that. The solution improved the manufacturer's inventory cycle and gave an accurate reflection of stock levels. As a result, Dyno Paints' sales forecasting and strategic planning processes are more effective than ever.

SAP PURGES NAGARJUNA AGRICHEM OF BUSINESS UNCERTAINTIES

Nagarjuna Agrichem Limited (NACL) is a subsidiary of the Nagarjuna Group and is one of India's key players in the agrochemical industry. It had 500 staff and manufactures insecticides, herbicides and fungicides.

AT A GLANCE

Key Challenge:
- Lacked a proper information system and structure which resulted in delayed and inaccurate information

Solutions & Services:
- mySAP™ All-in-One

Key Benefits:
- Faster and proactive decision making
- Improved inventory control; inventory turnover ratio is now 7.5 as compared to the previous 5.1
- Improved receivables control; the average receivables to sales ratio is 2.0 as compared to the previous 2.3

Channel Partner:
- Intelligroup

Hardware:
- HP Proliant, IBM

Operating System:
- Microsoft Windows 2003 Server

Prior to implementing SAP, Nagarjuna Agrichem Limited (NACL) was plagued by delays and inaccuracies in its information flow. This was because the organisation lacked a structured information system to manage its booming business effectively.

This was a drawback as NACL had a customer base of 6,000 to satisfy, and an inventory of 500 stock keeping units (SKUs) and 25 area offices cum warehouses to manage. Without an integrated solution in place, the company had no choice but to base its decisions on unsubstantiated inventory and receivables data.

> **"With a right implementation partner like Intelligroup, a good core team and continuous support from the CEO, an organisation can see the benefits of using SAP from day one. Do not discount SAP due to the cost factor as it is an investment with a high return on investment (ROI)."**
>
> Mr. V Srinivas, Senior Manager (Systems & Marketing) and Project Manager, Nagarjuna Agrichem Limited

The implementation of mySAP™ All-in-One has led to a faster and more proactive decision-making process, as the management now has access to accurate real-time data. Inventory control was improved; inventory turnover ratio was increased to 7.5 as compared to the previous 5.1, and receivables control was improved; the average receivables to sales ratio is 2.0 as compared to the previous 2.3.

SAP ACCELERATES PT POLYMINDO PERMATA'S GROWTH AMBITIONS

Established in 1985, PT Polymindo Permata is a manufacturer of tubes and hoses. With just 8 weeks of implementation time, SAP® Business One has helped them maintain its high levels of productivity and efficiency.

AT A GLANCE

Solutions & Services:
- SAP® Business One

No. of Users:
- 15

No. of Site:
- 1

Length of Implementation:
- 8 weeks

Channel Partner:
- PT Metrodata E-Bisnis

When PT Polymindo Permata, a leading manufacturer of tubes and hoses was looking at ways to penetrate the middle and upper market segments, and multinational companies, it had to do so quickly and more efficiently than the competition.

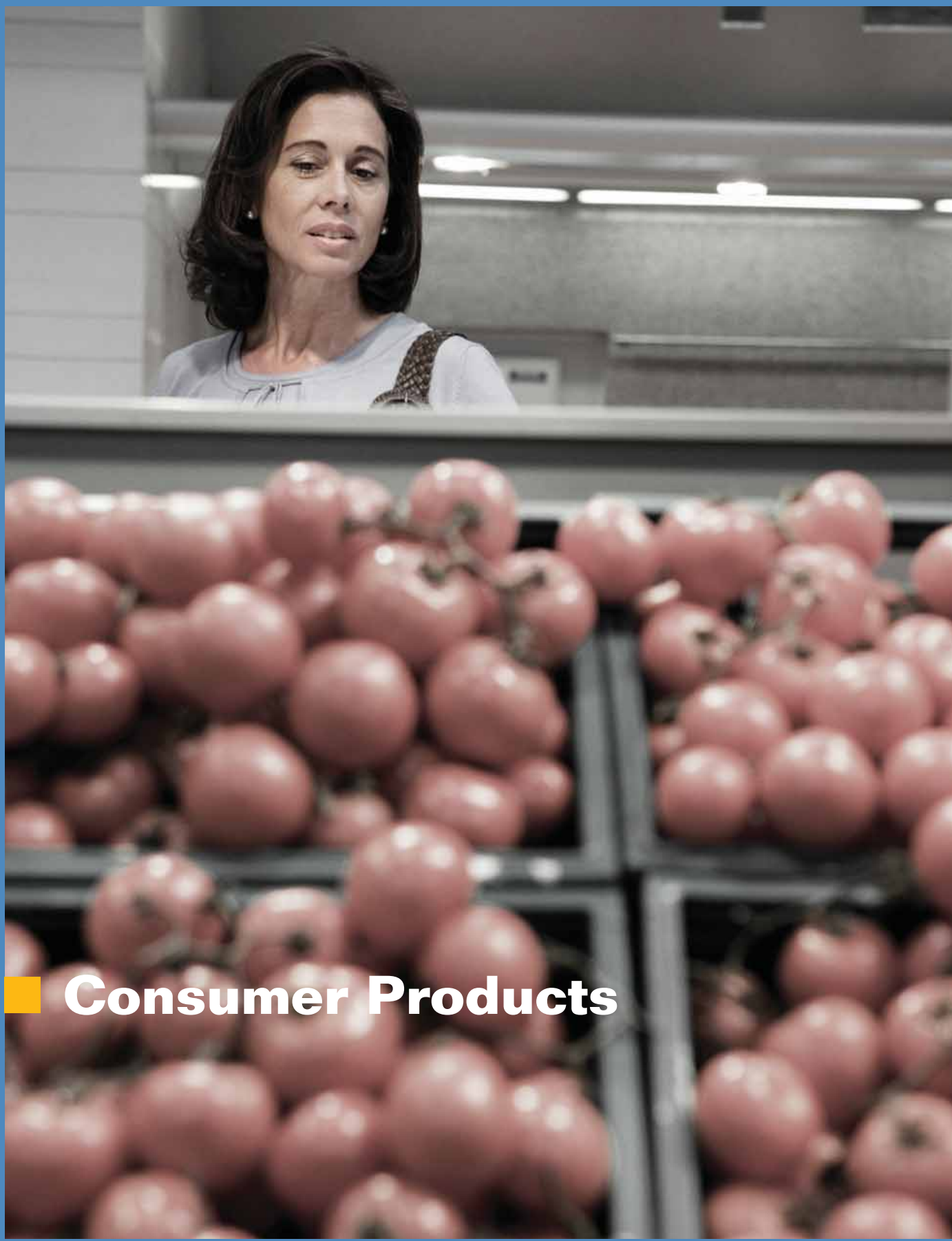
To achieve this, the company replaced its old enterprise system with SAP Business One. Their previous system could not meet growing demands and, because it was not integrated, suffered from data inaccuracies and unreliable reports.

> **"We believe SAP Business One provides us with better control and valuable insights to identify new opportunities to cut costs, grow profits, and expand our business."**
>
> Mr. Junus Sumardi, Director, PT Polymindo Permata

Not only was SAP Business One able to solve these problems, but it also reduced costs, sharpened competitive edge, and enhanced value to customers. In addition, the flexibility of SAP Business One enabled easy integration with the company's existing application to achieve its annual growth target of 30%.

With SAP Business One, the various business operations are now seamlessly integrated, offering the company an instant overview of each process. And armed with highly accurate reports, PT Polymindo Permata is confident of accomplishing its aggressive growth targets.

ULTRAJAYA RUNS SAP.



Consumer Products

Malaysia

Consumer Products

LAY HONG BERHAD TURNS TO SAP FOR FAST RESULTS AND FUTURE GROWTH

Lay Hong, Malaysia's leading producer of fresh farm eggs and chicken related products, chose ChemXPress™, a mySAP™ All-in-One solution to keep it competitive.

As Malaysia's leading producer of fresh farm eggs and chicken related products under the Nutriplus brand, Lay Hong Berhad is well aware that having real time visibility and the ability to maintain internal efficiencies are some of the key factors that will help to keep it competitive.

"After evaluating various software options in the industry including solutions from Microsoft's Axapta and Navision, we concluded that ChemXPress, a qualified mySAP All-in-One solution, was clearly the best choice."

Mr. K.T. Ng, Group Finance Director, Lay Hong Berhad

Lay Hong first commenced its poultry farming operations in the 1960s. Over the years, it has achieved commendable growth and was listed on the Second Board of the Kuala Lumpur Stock Exchange (KLSE) in 1994. Today Lay Hong operates three hatchery and four breeder farms, one egg tray plant, one poultry processing plant, seven layer farms, which produces 511 million eggs per annum; 13 broiler farms, which produces seven million broilers per annum; two feed mills, which produces 144,000 metric tons of poultry feed per annum; one liquid egg processing plant, which produces 3,200 metric tons of liquid eggs per annum and three organic fertiliser processing plant, which produces 12,000 metric tons of organic fertiliser per annum from plants located in Selangor, Melaka and Sabah.

AT A GLANCE

Website:
- www.nutriplus.com.my

Key Challenge:
- Improve real-time visibility and efficiency; integrate business activities and information

Solutions & Services:
- ChemXPress, a mySAP™ All-in-One solution

Implementation Highlights:
- Customise ChemXPress to match automation needs for chicken feed production
- 20 users in 12 locations
- 4 months implementation time

Key Benefits:
- Reduced cycle time and costs
- Improved communications and operational efficiency

Channel Partner:
- ISS Consulting (M) Sdn Bhd

Existing Environment:
- Accpac for Windows, running on Pervasive SQL Database

Hardware:
- HP Proliant Server, Microsoft SQL Server

Operating System:
- Microsoft Windows 2003 Server Standard Edition

With a turnover of RM227 million in 2005 and more than 1,000 employees, the company is not one to rest on its laurels. To continue competing successfully in the market place, Lay Hong turned to SAP to help them keep up with expansions, enhance competitiveness and improve real-time visibility.

The Need for Visibility

Mr. KT Ng, Group Finance Director, Lay Hong Berhad, who is responsible for the group finance, IT, HR and administrative functions, relates the problems faced with the previous system, and explains the need to keep track of the inventory, sales, purchasing and financial postings of its fully automated chicken rearing, egg harvesting and processing processes.

"We encountered numerous problems which had a direct effect on our business. Our database was not centralised. We had unmanageable credit control. Our stock inventory had to be performed manually," Mr. Ng says.

"In order to obtain a simple report, we would have had to manually extract data from various databases which was unproductive and time-consuming. For the past 12 years we were using ACCPAC solutions for the past 12 years and faced tremendous challenges in consolidating our accounts. For example, it would usually take more than two months just to obtain the financial results of our company!"

ChemXPress – The Proven Choice

What Lay Hong required was a solution to streamline its various lines of businesses. Lay Hong sought to obtain a solution that was able to keep track of its customer databases; to monitor its levels of supplies and to improve real-time visibility in order for Lay Hong to make better and coordinated decisions.

"After evaluating various software options in the industry including solutions from Microsoft's Axapta and Navision, we concluded that ChemXPress, a qualified mySAP All-in-One solution, was clearly the best choice. The ChemXPress solution enabled us to improve on efficiency, integrate business activities and information. It also gave us the ability to take a proactive position to anticipate trends. Furthermore, it's a proven solution and the implementation costs are within our budget," says Mr. Ng.

ChemXPress, jointly developed by SAP and ISS Consulting (M) Sdn Bhd, is a mySAP All-in-One Solution, intended for companies with as few as 10 users that require a high degree of industry-specific functionality yet also require cost-effective, quick-to-implement solutions.

The agreement was signed and implementation was done with SAP partner, ISS Consulting.

Complementing this solution is a large number of management reports available from SAP to assist in business analysis. ISS Consulting's ChemXPress solution will be able to provide sales, marketing, planning, and management departments with decision-support from a market-oriented viewpoint. This will give Lay Hong the ability to be proactive in business management and decision-making as the solution is designed to generate better reports and analysis for all activities and departments.

"We were impressed by the commitment from the project team members. Their experience and their diligence towards the entire project reflect very positively on SAP and ISS Consulting,"

Mr. K.T. Ng, Group Finance Director, Lay Hong Berhad

The ChemXPress solution implementation took a mere four months to complete. "We were impressed by the commitment from the project team members. Their experience and their diligence towards the entire project reflect very positively on SAP and ISS Consulting," enthuses Mr. Ng.

Excellent Returns

With the implementation of ChemXPress, Lay Hong is now able to keep track of the inventory, sales, purchasing and financial postings of its fully automated chicken rearing, egg harvesting and processing processes.

"ISS Consulting was able to customise ChemXPress to match our automation needs during the production of chicken feed. The system has also improved the efficiency of Lay Hong's sales order, delivery order and billing cycle and the Enterprise Resource Planning (ERP) process that determines the optimum amount of goods to procure," Mr. Ng says.

The farming group is already seeing higher internal efficiencies with integration between the production planning, financial controlling and monitoring logistic business processes. One of its main objectives was to achieve visibility of information to assist with tracking and reporting in an ever changing environment – which has now been realised. With ChemXPress, information is now delivered to Lay Hong in a user-friendly and easy-to-access manner.

Insightful business intelligence, enhanced decision making, dramatically improved efficiency, operational costs and time savings are but some of the key benefits experienced by Lay Hong. Indeed, Lay Hong has found that the implementation of the ChemXPress solution has enabled Lay Hong to achieve quick returns on investment and to remain ahead of competition.

"Thanks to ChemXPress, we are able to ascertain our stock statistics instantly which saves a considerable amount of manual work and enables us to react accurately to the changing demands of our business. We now also have complete visibility of our debtors, enabling us to streamline invoice processing at a much quicker rate. This in turn contributes towards speedy collection, mitigating our credit position."

Mr. K.T. Ng, Group Finance Director, Lay Hong Berhad

Gearing Up For Future Growth

There is no doubt Lay Hong is now very well prepared for the future. The organisation plans to grow continuously and needs an IT platform that gives it the flexibility to support and sustain this growth. With the integration and development capabilities of the ChemXPress solution, Lay Hong is better equipped to expand geographically and in terms of new product or service lines without worrying about information backbone limitations. In addition, as ChemXPress is a highly scalable and powerful solution with a growth oriented architecture, the group also achieves a readymade platform to graduate to more sophisticated information strategies like e-commerce, collaboration and business intelligence in the future.

"Not only are we now armed with the right tools to achieve a competitive advantage, we have also successfully laid the foundation and framework for sustained, long-term growth for the business!" concludes Mr. Ng.

India

Consumer Products

mySAP ERP HELPS RADICO KHAITAN KEEP PACE WITH CHANGE

Radico Khaitan, faced challenges with its legacy systems that were hampering its growth, causing productivity losses and resource inefficiencies. With a lean implementation of 6 months, Radico Khaitan has since been able to leverage better business intelligence with mySAP™ ERP.

In the late 1990s, a typical day at Radico Khaitan's Delhi headquarters would involve sifting through closely-typed sales and inventory data that was at least a week old. Accountants would then compile them into neat analytical reports that would be delivered to executives' offices.

These out-of-date reports often went unread. The exercise amounted to a huge waste of time, effort and money that Radico Khaitan could ill afford especially when competitors across the globe were snapping at its heels.

For the Rs1,200 crore (US$270.7 million) Radico Khaitan, the writing on the wall was very clear. The company realised that its antiquated data management systems would have to go if it was to hold on to its markets. More importantly, its ambitious growth plans would not work if if operations did not become more efficient.

"Our vision is to grow five times in the next five years and we will do it with a lot of help from SAP."

Mr. Farhan Khan, Joint General Manager IT, Radico Khaitan

The company, which has 30 bottling units, six manufacturing locations and four zonal offices, wanted to double capacities and sales in a year. This would only be possible with modern planning and management systems. At the macro level, the 1,500-man company would need to nurture strategic planning skills among its senior staff. And at the micro level, it would have to focus on improving the quality of and access to data as well as the speedy completion of its monthly sales reports.

AT A GLANCE

Website:
- www.radicokhaitan.com

Key Challenges:
- Needed to maintain competitiveness
- Wanted to double capacities and sales in a year
- Various information systems did not communicate with each other
- Lack of business visibility led to resource wastage and unproductive work practices

Project Objectives:
- Needed to stay competitive
- Consolidate all business systems into a single integrated enterprise resource planning (ERP) system
- Wanted reliable, up-to-date reports
- Streamline workflow

Solutions & Services:
- mySAP™ ERP

Why SAP Solution:
- SAP's commitment to the Indian market
- SAP's experience with the liquor industry
- SAP was willing to work with Radico Khaitan to customise its solutions and gradually build up the infrastructure

Implementation Highlights:
- Implementation was completed in six months
- Deep employee involvement was emphasised
- Incremental approach taken

Key Benefits:
- Integrated system provides real-time information and better analytics for more accurate business decisions
- Reduced costs through better inventory management and more efficient use of resources
- Changes implemented more easily
- Higher staff productivity
- Expanded product lines, developed new markets

Channel Partner:
- Siemens Information Systems Ltd

Legacy Systems Slow Growth

Radico Khaitan's legacy systems were incompatible with each other, causing inefficiencies in logistics and operations management. As IT development had been on an ad hoc basis, each factory operated its own systems and worked to a different set of metrics that caused problems in the consolidation of business data.

"We were managing information and data between four zonal offices and each of these offices would send a final data report to our main office. These reports followed different operating and reporting systems and we needed special staff to draw up a homogeneous sales report at the end of the week," says Mr. Farhan Khan, Joint General Manager IT, Radico Khaitan.

Decision-making was the biggest casualty. The problems came to light when a team of senior executives looked at opportunities in the Indian liquor business. They were struck by the limitations imposed by poor data management systems.

Poor data management meant uncoordinated sales and production teams, which led to waste and inefficient use of resources. It also resulted in staff who spent more time on clerical data-entry tasks than analysing the data to come up with unique strategies.

"The company felt that this was affecting growth and slowing us down," says Mr. Khan.

The decision was unanimous: Radico Khaitan had to work towards real-time data management and analysis systems to survive the competition. Radico Khaitan decided to appoint an external consultant, KPMG, to evaluate the ERP systems available in the market. "We were clear that we wanted a sophisticated ERP system that provided us with the best solution for the given situation," says Mr. Khan.

It decided to go for an ERP system that could adapt easily to the special needs of the liquor business, but which did not promise to be "one-size fits all" at the same time. Additionally, the ERP solution had to be India-focused because of the unique requirements of the Indian corporate environment.

"We were clear that we wanted a sophisticated ERP system that provided us with the best solution for the given situation."

Mr. Farhan Khan, Joint General Manager IT, Radico Khaitan

SAP made the grade on all three counts. KPMG's evaluation report showed that SAP was being implemented in other liquor companies in India. The vendor has a huge India commitment, including a large customer care centre in Bangalore. Radico Khaitan was assured that its problems would be addressed on time and on a priority basis.

Another SAP advantage was that it did not require the company to make its investments at the same time. SAP was willing to work with Radico Khaitan to customise its solutions and gradually build up the infrastructure. This, too, tilted the decision in favour of mySAP ERP, and Siemens Information Systems Limited (SISL) was appointed as Radico Khaitan's implementation partner.

Focus on People Ensures Buy-in

The SISL team studied the company and its operations for a month and a half, looking at every department and its processes in detail. Core members of different units were identified as liaisons with the project team, while other members of the unit were further classified as users, involved in day-to-day operations; super users, or process owners; and supporters, or technical help.

A comprehensive training schedule was drawn up to familiarise the organisation with the benefits and requirements of SAP. All staff were trained and counselled to eliminate fears and misconceptions about ERP systems. Special care was also taken to ensure that the senior members of the team did not feel left out of the process.

"SAP has helped us immensely with the quality of our decision making. It has also ensured a huge saving in terms of time and cost."

Mr. Farhan Khan, Joint General Manager IT, Radico Khaitan

Cost Reductions Spur Additional Phases

mySAP ERP went live at Radico Khaitan within six months, with benefits visible within the first two months of going live. The company has found it easier to implement changes as well as introduce contemporary tools and techniques to analyse cost breakdowns now that the quality of business data has improved dramatically. This has in turn helped to reduce expenditure through better utilisation of resources and efficient inventory management.

This initial success convinced the project team to widen the impact of mySAP ERP within Radico Khaitan. The team first replicated the implementation at the Plant and Maintenance department, then worked systematically with each unit across the four zonal offices and six factories. This incremental approach has enabled Radico Khaitan to make the implementation process a demonstrable, replicable success story, while allowing the company to complete implementations at record speed.

Radico Khaitan has since expanded its product lines, developed new markets and built up a team of skilled personnel who can guide future businesses on the same route. The swift payback has allowed the company to scale up its plans for the future.

"Our vision is to grow five times in the next five years and we will do it with a lot of help from SAP," says Mr. Khan. He believes that SAP has been catalytic to the company's growth process in the past three years and that this will continue to be the case for several years to come.

LEE KUM KEE RUNS SAP

SAP IS THE BEST INGREDIENT FOR DACHAN'S GROWTH

The Dachan Group was unable to obtain comprehensive and real-time information to make business-critical decisions. With mySAP™ ERP, business processes have become faster and efficient, while the management has complete visibility over the company's profits.

AT A GLANCE

Website:
- www.dachan.com

Key Challenges:
- Inaccurate management reports that arrived late made it difficult to extract business-critical information in a timely manner
- Internal processes not integrated and could not produce reliable information for effective decision making

Project Objectives:
- Produce accurate, detailed and real-time business reports
- Standardise internal processes to improve efficiency

Solutions & Services:
- mySAP™ ERP; Material Management (MM), Sales & Distribution (SD), Finance Accounting (FI), Production Planning (PP), Controlling (CO), and Quality Management (QM) modules

Why SAP Solution:
- Seamless system integration
- SAP's reputation as a global leader
- SAP's technology expertise

Implementation Highlights:
- Implementation completed within nine months for the company's four subsidiaries
- For each phase, there were 10 consultants working with the company users on mySAP ERP's six modules

Key Benefits:
- Accurate and on-time reports
- Integrated internal processes have improved overall management efficiency
- Complete visibility of the business including the complete breakdown of company's profit status
- Time taken to balance accounting reports reduced to 3 days from 9
- Stock taking at warehouse that took three days to complete has turned into an instantaneous process
- Time taken to detect production discrepancy now takes two days instead of two months

Channel Partner:
- SAP Consultants

Hardware:
- HP9000-RP4440, HP ProLiant DL380G4

Operating System:
- HP UX 11i

Taiwan's leading feed, chicken and oil product producer, the Dachan Great Wall Group has been working on expanding its business in China and enhancing its two specialty areas in poultry foodstuff and animal health foods.

To support its growth, the Dachan Group decided to implement a business system that could manage its business resources efficiently.

The lack of a proper business system meant that supervisors at Dachan always received late and inaccurate management reports, thus making it difficult to extract business-critical information. For instance, generating accounting reports could take up to nine days.

"We chose mySAP ERP because none of its competitors can offer system integration like it can. SAP's reputation as a global leader and its technology expertise also helped make our decision easier."

Mr. Su Chiahsiu, Vice President, Dachan Great Wall, and ERP Project Supervisor

In addition, internal processes within the company were not standardised to produce reliable information for effective decision making.

Seamless Integration Vital

However, the road to an ideal business system was not smooth. When the company tried developing a proprietary business system with a local software developer, the limited

experience of the developer resulted in incomplete software that cost over NT$10 million.

After careful consideration, Dachan decided in January 2005 to drop the system and implement mySAP ERP instead.

"We chose the mySAP ERP because none of its competitors can offer system integration like SAP can. I believe SAP's seamless system integration will be vital to my company's future development. SAP's reputation as a global leader and its technology expertise also helped make our decision easier," said Mr. Su Chiahsiu, Vice President of Dachan Great Wall and ERP Project Supervisor.

In each phase of the implementation, there were about 10 SAP consultants working with key users to help install six modules of mySAP ERP (sales, purchase orders, procurements, warehousing, production, and accounting).

A detailed work plan was formulated for each component of the project, from project preparation to online support, defining a target completion time for the person responsible for each task, and always tracking project status.

After close collaboration with SAP Consultants, mySAP ERP was implemented within nine months for four of Dachan's subsidiaries.

Enhancing System Efficiency

By integrating processes, mySAP ERP has streamlined workflow for the company. "By standardising operational processes and management reports, mySAP ERP has improved the efficiency in managing the company," said Mr. Han Chiayau, Chairman of Dachan Great Wall Group.

For instance, the time taken to balance accounts at Dachan has been reduced from nine days to only three.

Comparing production discrepancies has also become a lot faster. Managers can view and act on discrepancies in comparison reports from mySAP ERP within two days. Previously, it was a process that took two months to detect and correct.

Similarly, stock taking at the Tainan County Liouying meat products warehouse used to take three days, but after introducing mySAP ERP the whole process has become instantaneous.

The new levels of integration at Dachan have also created unparalleled visibility into business operations.

"Detailed financial information, together with timely and accurate management reports, are the most important benefits from introducing mySAP ERP ," said Mr. Han.

"By standardising operational processes and management reports, mySAP ERP has improved the efficiency in managing of the company."

Mr. Han Chiayau, Chairman of Dachan Great Wall Group

"Previously, we could only gain access to daily sales turnover. Using mySAP ERP software suite, our executives can immediately obtain all our production and operational information and understand the full picture of the company's profit status."

The accounting department has also gained greater insights into the company's finances. Previously, the majority of work done by the department was limited to recording accounts, auditing and working on other accounting systems. With mySAP ERP, the department can now perform data analysis and other more valuable functions. Overall, this has improved working efficiency and increased transparency.

In addition, information accessibility has increased company-wide. Staff can access product cost standards, arrange factory production schedules, standardise working processes and even adjust manpower allocation.

Real-time information from mySAP ERP has also enabled the Dachan Great Wall Group to monitor and control each level of production and sales. Moreover, executives can analyse profits in more detail now with specific information based on clients, products and regions.

Dachan is now in the process of upgrading the system over a two-year period. On 1 May 2006, it installed the mySAP HR human resources management module, which takes care of matters such as administration, salary, travel, and key performance indicators. For the next phase, the company has indicated that it will expand into areas like business intelligence.

HERMANN LAUE IMPROVES INVENTORY MANAGEMENT THROUGH SAP BUSINESS ONE

One key challenge Hermann Laue (Pte) Ltd faced was to keep track of their stock to ensure product safety and customer satisfaction. Since implementing SAP® Business One, the company has improved its inventory management capability and capacity.

AT A GLANCE

Website:
- www.hela.com.sg

Key Challenges:
- Difficulty in tracking and managing current inventory
- Unable to perform batch management and traceability
- Lack of sales and profit information
- No real time information for strategic decision making

Project Objectives:
- Improve management and tracking of product batches
- Enhance ability to take in more orders as the business expands
- Develop a better inventory management system
- Allow management to monitor sales and profit trends

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP is a reliable and proven brand
- Good tracking ability
- Deep confidence and trust in Sabre Information Services
- Excellent after-sales service by Sabre Information Services

Implementation Highlights:
- System implemented rapidly within three weeks
- Parallel run of old and new systems limited to less than a month

Key Benefits:
- Able to track and manage inventory more efficiently
- Larger capacity to handle additional orders and more stock
- More scope for future planning based on sales and profit trends insights
- Better customer service
- Key business processes take much shorter times to complete

Channel Partner:
- Sabre Information Services Pte Ltd

As a global distributor of specialised food ingredients such as herbs and spices, Hermann Laue (Pte) Ltd understands the importance of maintaining freshness and quality in their products. With a few million dollars worth of stock in its warehouse at any one time and a high inventory turnover, it was important for Hermann Laue to have an efficient inventory management system.

The key challenge Hermann Laue faced was to keep track of their stock so that they could have real-time knowledge about production and expiry dates, and ensure product safety. In fact, it is mandatory in some countries to have such a batch tracking system. As the old system did not support this ability, it was critical for the company to upgrade.

"With their long-standing expertise and knowledge in this area, we felt confident that SAP can meet our tracking requirements and deliver exactly what we need."

Mr. Udo Kuypers, Managing Director, Hermann Laue

"Our previous system was too old and simply could not support the tracking capability. In addition, as our company is expanding rapidly, we needed a system that would be able to manage our growing amount of stock efficiently," says Mr. Frank Schude, Regional Manager, Hermann Laue.

Embedded in the company's previous system was also a lot of unstructured data about Hermann Laue's sales and profit margins, which management was unable to access. As a result, they were unable to do trending and business forecasts.

Superior Tracking Ability

Hermann Laue considered a number of vendors for a solution that could help them improve the management and tracking of their inventory, as well as monitor sales and profit trends.

With its brand name synonymous with reliability and quality, SAP stood out from the rest of the vendors considered. More importantly, the attractiveness of SAP Business One lay in its tracking ability.

"We know that when SAP first started out, it focused primarily on pharmaceutical companies, in which product traceability is paramount. With their long-standing expertise and knowledge in this area, we felt confident that SAP can meet our tracking requirements and deliver exactly what we need," explains Mr. Udo Kuypers, Managing Director, Hermann Laue.

In addition, Hermann Laue's strong relationship and trust in Sabre Information Services Pte Ltd, SAP's channel partner, was another deciding factor to use SAP Business One. Sabre's excellent after-sales service and support further helped to propel Hermann Laue towards SAP.

"Sabre has been working with us for a long time, and supported us with our previous system as well. Their in-depth understanding of our needs and knowledge of SAP led them to recommend SAP Business One as the solution for us," says Ms. Helena Chong, Financial Controller, Hermann Laue.

SAP Business One, including Sales & Accounts Receivables, Purchasing & Accounts Payable, General Ledger and Inventory Management, was eventually chosen as the solution for Hermann Laue.

The entire implementation of SAP Business One took just three weeks and the system went live in August 2005. Hermann Laue limited their parallel run of the old and new systems to less than a month so as to prevent an extended doubling of their workload.

"With over 2,000 invoices a month to clear, we could not sustain the parallel run for too long. In the end, the transition to SAP Business One was extremely smooth," explains Mr. Kuypers.

Streamlined for Greater Efficiency

Ten months into their switch to SAP, management is extremely pleased with the current results and benefits. SAP Business One's integrated sales system and inventory tracing capability has helped Hermann Laue to improve the overall efficiency of its workflow processes, saving them precious time.

The key benefit is that staff are now able to retrieve real-time stock information, giving them immediate knowledge about their current inventory. Better management of their stock has also helped to facilitate the company's high stock turnover.

"With SAP Business One, it is now much easier for us to trace when a sales order has been completed, the status of our current supplies and other critical information about different batches of stock. This is very useful for us as previously, we would have to check our invoices manually."

Ms. Helena Chong, Financial Controller, Hermann Laue

Hermann Laue is now also better prepared for changes within the industry, such as legal requirements to trace product batch numbers. "With SAP, we'll be ready when that regulation is enforced," says Mr. Kuypers.

The SAP system has not only helped to make workflow more efficient, but has also enhanced customer relationship management. SAP Business One has enabled Hermann Laue to view detailed information about their products by category and customer. Management is instantly able to find out which product line enjoyed the highest profit and whether stock should be replenished. This comprehensive analysis of product information will help Hermann Laue in planning sales strategies.

For instance, Ms. Chong now finds it less of a hassle to manage promotions. "Now, if customers call to ask about promotions, we can pull the data up quickly, and accurately answer their queries. This has helped to improve the company's image and our relationship with customers," Ms. Chong explains.

Overall, management at Hermann Laue is extremely pleased with the benefits the system has brought. "SAP Business One has made our workflow so much easier," says Ms. Chong.

SAP HELPS HUON AQUACULTURE DELIVER FRESH SEAFOOD

Based in Hideaway Bay near the mouth of the Huon River, Huon Aquaculture Company is Australia's second-largest producer of Atlantic salmon. The company chose SAP® Business One to help the business grow into the future.

AT A GLANCE

Website:
- www.huonaqua.com.au

Key Challenges:
- Rapid growth, pushing systems to the limit
- Automate integration between in-house developed Aquaculture system and financial system

Project Objectives:
- Improved financial reporting
- Improved sales reporting and analysis
- Streamline integration to other systems
- Administration productivity improvements

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP brand, reputation and set of products
- Local partner involved

Implementation Highlights:
- Site went live in the busiest month of the year with no/minimal downtime

Key Benefits:
- Immediate improvements in invoice processing (days down to minutes)
- Seamless integration with in-house system resulting in less keying and data entry errors
- Room to grow and expanded with minimal effect on performance

Channel Partner:
- Axsys

Database:
- Microsoft SQL Server

Hardware:
- HP

Operating System:
- Microsoft 2003 SVR and Microsoft XP Pro Desktop

In the clean, clear waters of southern Tasmania, thousands of Atlantic salmon are bred to satisfy seafood lovers around the globe.

Housed in large floating cages at the mouth of the famous Huon River, the fish thrive in conditions recognised as among the best in the world. Good conditions are important as well taken care of fish result in top-quality produce.

Operated by Tasmanian-based company Huon Aquaculture, the farm was established in 1987 with just two employees. Now the largest privately owned salmon farm in Australia, it has more than 220 staff and supplies fish to markets throughout Australia and internationally.

"In some cases we had been re-keying the same data in four different places which created room for error. Now it's entered just once or can even be taken directly from existing programs into SAP Business One automatically."

Mr. Frances Bender, Company Director, Huon Aquaculture Company

Huon Aquaculture prides itself on its use of technology to make its production processes as efficient as possible. The company invented a computerised fish feeding system that automatically adapts the output of food to the appetite of the growing fish. It has also invested in sophisticated harvesting techniques to ensure fish are humanely harvested and arrive in the best possible condition.

In 2005 the company acquired Adelaide-based fish processing company Springs Smoked Seafoods. That company produces a range of value-added products including a range of smoked salmon and paté available nationally.

Company director Frances Bender said the company's success and rapid growth had put strains on its existing core software applications. With the Adelaide acquisition and resulting jump in staff numbers and activity, the strains had come to a head.

"We had known for a while that we needed to replace our existing Attaché application as it could not provide the reporting we needed and could not keep up with our growth," she said.

After assessing a range of options on the market, Huon Aquaculture decided to implement SAP Business One, with the assistance of local SAP integration partner Axsys.

"We had always viewed SAP as the type of solution a Fortune 500 company would use – of the highest quality, but very expensive. However, Axsys demonstrated that SAP could deliver a solution ideally suited to a small to medium company like ours."

Mr. Frances Bender, Company Director, Huon Aquaculture Company

"Axsys had helped us with our existing systems and so we felt comfortable working with them on the SAP project," she said.

December is the busiest time of the year for the firm, but pressures around the integration of the new company led to a decision to go live with SAP Business One on December 1.

"We were either very brave or very foolish," said Mrs Bender. "But despite the challenges, the implementation of the system went very smoothly."

Much of this success was attributed to the thorough planning undertaken before the implementation process began.

"We spent a lot of time with Axsys on the pre-planning phase of the project," she said. "It is really important to spend time doing this as it can avoid a lot of problems further down the track." The company now has six staff trained on SAP Business One and all find the software intuitive and easy to use.

"People can really see the benefits and efficiencies that SAP can provide," said Mrs Bender. "There have been some issues linking SAP Business One to our farm production program and banking interface, but overall it has been fantastic."

The production of accurate reports has been greatly improved, as data previously had to be entered multiple times into different systems.

"In some cases we had been re-keying the same data in four different places which creates room for error. Now it's entered just once or can even be taken directly from existing programs into SAP Business One automatically."

The time taken to produce customer invoices has dropped from days to just minutes. The firm has gone from having three people working flat out during busy months to just one person completing the task in around half a day.

Mrs Bender said the next phase of implementation would involve extending SAP Business One access to the Adelaide company and this was scheduled for April. Remote access to the Tasmanian application would ensure data was available and updated in real time.

Mrs Bender said this part of the project would ensure there was an accurate view of key activities, such as sales levels, at all times. This would help in planning and ensure the company was able to continue to meet delivery deadlines for customers at all times.

"We have sales people around Australia and we have future plans for them to be able to log into SAP Business One and check things like inventory levels and sales orders," she said.

SAP Business One will also make it much easier for Huon Aquaculture to set and monitor sales targets as its client base continues to grow.

"SAP Business One gives us the solid platform we needed to support our growth into the future," she said.

SAP AND ILS KEEP HUNGRY PASSENGERS HAPPY

Inflight Logistic Services (ILS) core business is to provide services to airlines in relation to their Inflight Service needs. It operates across Brisbane, Sydney, Melbourne, Adelaide and other regional centres.

AT A GLANCE

Website:
- www.inlog.com.au

Key Challenges:
- Capture sales data per flight
- Provide in flight cash vs. sales reconciliations
- Manage remainder of services and product sales related business
- Purchasing and creditor Management
- Inventory management across multiple warehouses

Project Objectives:
- Insufficient system for change in business operations
- Require appropriate warehouse inventory management solution
- Real time visibility and reporting

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- In-line with budget
- Flexibility to customise to suit business operations
- Ability to add additional functionality
- Scalability from SAP Business One to larger SAP products in the future
- Support from SAP
- The SAP Partner, City Software invested the effort to understand the uniqueness of our business

Implementation Highlights:
- On time
- On budget
- Easy to use interface

Key Benefits:
- True reflection of product sell through
- Reporting and visibility of data
- Ability to proactively determine optimum stock levels per flight in order to reduce stock write-offs
- Audit ability by external auditors
- Improvement in accountability

Channel Partner:
- City Software Business Solutions

Database:
- MS SQL Server

Hardware:
- IBM

Operating System:
- Microsoft Windows

Whether travelling for business or pleasure, aircraft passengers like to enjoy a cup of coffee or a bite to eat as they take in the view from high above the ground.

"Implementing a comprehensive system such as SAP Business One has enabled us to streamline our operational and managerial process and gain better control of our business – benefiting us and our customers."

Mr. Garth Young, Company Director, Inflight Logistics Services

Airlines put considerable effort into ensuring their customers have a choice of drinks and meals, keen to make their travel as comfortable as possible. But while the result is a relaxed journey, it takes a complex logistical operation behind the scenes to make it possible.

For airline catering company Inflight Logistic Services (ILS), ensuring planes are stocked with a variety of beverages and foodstuffs is a never ending task. The company prepares and packages meals, transports them to airports and stocks planes seven days a week.

With a network of warehouses and fleets around Australia, ILS works with a range of airlines including Virgin Blue, Regional Express and various charter companies.

Working with channel partner City Software Business Solutions, ILS has installed SAP® Business One to support the company as it continues to grow.

ILS company director, Garth Young said the decision to implement SAP solution was prompted by a significant change in the way it worked with its largest client, Virgin Blue.

"Until April this year, we were a service provider to Virgin Blue, responsible for restocking their aircraft with food and drinks for their staff to sell to customers," he said.

But on April 1 the system changed. ILS now has ownership of all stock, and manages all elements of the business from procurement through to point of sale. Combined with this, ILS is responsible for the reporting package back to Virgin Blue which is quite detailed due to the nature of the operation.

"It is like having 50 retail stores that happen to be located on aircrafts that could be anywhere in Australia," said Mr. Young. "It becomes a very complex task to manage the network and keep it running smoothly."

Prior to the change, ILS used an MYOB solution to monitor orders from Virgin and produce financial information such as invoices and reports. However, with the increased complexities of stock ownership and supply, ILS required a more capable system.

"We realised the logistics alone would require a new system for support," he said. "You've got aircraft that may start in Sydney and then fly through multiple destinations before finishing in any port around Australia."

"The initial on-board stock of supplies might be topped up at each port, depending on what was sold and then checked at the end of the day somewhere else – it's quite a complex system."

Together with City Software Business Solutions, ILS scoured the market for a software system capable of dealing with the challenges of its business operations.

"Over an eight-month period we worked with City Software Business Solutions to scope out the complete system, including absolutely every feature we felt we would ever need," said Mr. Young. "Once completed, we set about implementing the basics, planning to gradually extend its capabilities over time."

The flexibility of SAP Business One meant there was little customisation required for it to work with the existing ILS methods. Warehouses at Australia's five major airports have been linked to the system allowing central tracking of inventory and financial transactions.

Using a single system to track stock levels, handle retail transaction data and all company financials has significantly reduced the work load for administration staff. Where two and a half data entry staff were required at each warehouse to input information, this has now been reduced to just one at each location.

"Our ability to track stock, whether it is in our main warehouse, in the work-in-progress warehouses, in trucks or on planes has improved," he said.

SAP Business One combines the information from the initial stocking of a plane together with any replenishment during the day as well as a final reconciliation after the final flight.

In the future, the company plans to further streamline the inventory system by using tracking tags and electronic readers at all locations. Better use will also be made of the information gathered by cabin crew using handheld computers when making a sale.

"Six months down the track we are enjoying benefits from the new system that I would not have expected to have achieved for 12 months. The implementation project has gone very well for us."

Mr. Garth Young, Company Director, Inflight Logistics Services

Although it was put in place specifically for the Virgin Blue business, the SAP Business One system is now used to service and benefit other ILS customers.

"Implementing a comprehensive system such as SAP Business One has enabled us to streamline our operational and managerial processes and gain better control of our business benefiting us and our customers," said Mr. Young. "Our business operations and customer satisfaction and service levels can only increase."

SAP HELPS MONDI TRACK TRENDS WITH SAP BUSINESS ONE

Mondi Distribution Limited needed a powerful enterprise management system to tie together data across different locations and increase global competitiveness. SAP® Business One has allowed the company to get a better grip on its business and made its internal processes more efficient.

AT A GLANCE

Website:
- www.mondi.com

Key Challenges:
- Needed up-to-date sales information to gauge and act on fashion trends
- Synchronisation and consolidation of standardised data from offices and manufacturing facilities scattered across the globe hampered by time zone differences
- Existing software lacked comprehensive standard cost calculation, profit on sales and accounts analysis functions
- Existing software could not process complex orders or product storage and sales data

Project Objectives:
- New solution should support business expansion, increase profits and reduce costs
- Wanted to consolidate and share data on a company-wide basis
- Required timely, accurate reports of business status at all times
- Needed rich functionality for accounting as well as complex data processing

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Impressed with SAP Business One's integrated processes and business functions
- Completely matched company requirements for new enterprise management system

Key Benefits:
- Data from product sales, pricing, stocking, purchasing, accounting and other systems consolidated and available in real-time for more informed decisions
- Increased the transparency of sales management requirements, enhancing productivity
- Simplified business processes such as data input, improving operational efficiency and helping to implement good corporate governance and ensure sustained business expansion
- Lowered costs, increased profits

Channel Partner:
- Toppan Forms Computer Systems Ltd

Database:
- MS-SQL 2000 Server

Existing Environment:
- Excel spreadsheets used for accounting

Hardware:
- Dell Server

Operating System:
- Windows 2003 Server

German luxury fashion label Mondi runs an international business, with branches and design offices in Hong Kong and Germany, and manufacturing facilities and partners scattered throughout Europe, US, Mainland China, Taiwan and Japan.

"SAP Business One presents important financial data and business information in a transparent manner. The software makes it easy for us to get a grip on our business operations."

Mr. Jason Tsao, MIS Manager, Mondi Distribution Limited

With fashion trends changing with the seasons, Mondi knew it had to have the most up-to-date sales information to gauge the popularity of its product lines in each market. However, Mondi's global business model created challenges in consolidating timely, accurate data across time zones, even though the data was essential to tracking market response from the company's target audience of high-income professional women in various Asian markets.

"Because our sales network and branch offices are spread across Asia and Europe, communications are unavoidably affected by time differences. Consequently, we needed a unified information platform to help us obtain data whenever and wherever it was needed," says MIS Manager at Mondi Distribution Limited, Mr. Jason Tsao.

At the same time, the Excel spreadsheets in use at Mondi were increasingly unable to process complex orders, product storage and sales data. In addition, the software lacked the comprehensive standard cost calculation, profit on sales and accounts analysis functions that were required to run a business on an international scale.

The company decided that it wanted an enterprise management system with powerful functionalities to help develop new Asian markets and expand the business, as well as effectively improve top and bottom lines. The search led Mondi to SAP and SAP Business One. The company was impressed by the solution's integrated processes and business functions, and how SAP Business One completely matched Mondi's wish list.

"On the one hand, SAP Business One simplifies our business processes and links our product sales, pricing, stocking, purchasing, accounting and other systems, improving operating efficiency. On the other, it reduces the amount of manual data input, improving productivity."

Mr. Jason Tsao, MIS Manager, Mondi Distribution Limited

"SAP Business One suited our requirements and expectations best. It has comprehensive functionalities," says Mr. Tsao.

Understanding Business Operations Better

Once installed, SAP Business One has enabled Mondi to control sales cycles better. The Sales and Distribution module, with its internally integrated automated sales system and advanced business administration has increased the transparency of sales management, allowing managers to make the appropriate business decisions to improve competitiveness.

As for financial management, SAP Business One processes day-to-day accounting items and automatically calculates profit reports and generates asset reports for analysis. Tsao notes that SAP Business One allows account entries to be entered from the sales, purchasing and stock modules, after which the data is automatically distributed to different projects and cost centers.

Mondi is also extremely pleased with how SAP Business One has improved its global competitiveness. "SAP Business One presents important financial data and business information in a transparent manner. The software makes reports clear and readable at a glance, and makes it easy for us to get a grip on our business operations," concludes Mr. Tsao. "It effectively helps to reduce costs and increase profits."

SAP BUSINESS ONE GIVES NTSL A CLEAR VIEW OF BUSINESS OPERATIONS

NTS International (Chengdu) Ltd. aims to be the leading 3G mobile communications products and services provider for customers worldwide. To achieve this vision, it chose SAP® Business One. With departments integrated on the SAP platform, data visibility has improved.

AT A GLANCE

Website:
- www.nts-intl.com

Key Challenges:
- Lack of integration between departments
- Difficulties in tracking customers' orders
- Could not control and manage its credit line and accounts receivable efficiently
- Unable to perform materials purchasing accurately and appraise suppliers according to production criteria
- Difficulties in tracking and updating data on materials and spare components
- Unable to maximise manufacturing performance

Project Objectives:
- Streamline and standardise work processes
- Integrate the procurement, production, sales, storage, and accounts departments on SAP
- Unify and centralise information flow
- Improve tracking of customers' orders and inventory
- Solve accounting problems
- Improve materials management standards
- Better managed operating costs

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP is the largest ERP solutions provider in the world
- SAP Business One is known for its performance and stability

Key Benefits:
- Business critical data are consolidated, thus improving the decision-making process
- Enhances efficiency of the tracking and monitoring system
- Adoption of industry best practices has improved the company's processes and competitive edge
- Reduces manual errors, increases productivity and improves materials management standards

Channel Partner:
- Sichuan Shengpu Software Ltd.

Database:
- Microsoft SQL Server 2000

Hardware:
- Dell 2850

Operating System:
- Microsoft Windows 2000

NTS International (Chengdu) Ltd. (NTSL), a company providing medium frequency remote radar heads (RRH) subsystems, was established in 2004.

"We decided to implement SAP Business One because SAP is the largest ERP solutions provider in the world. Another reason for choosing SAP is because of the performance and stability of SAP Business One."

Mr. Zhang Xianfeng, Vice President, NTS International (Chengdu) Ltd

In order to leverage the business opportunities available in the third generation (3G) mobile communications space and eventually to achieve its vision of becoming a leading 3G mobile communications products and services provider for customers worldwide, NTSL decided to focus efforts on enhancing its research and development, production, professional sales and services capabilities.

A Vision That Requires a New System

However, there is a roadblock to its plans. The enterprise management system was incapable of growing alongside the company's ever changing business needs. Neither it was able to solve workflow issues that demanded urgent resolution.

For instance, the previous system did not allow the integration and sharing of departmental data. This prevented NTSL from managing material serial numbers and doing product design efficiently. It was also unable to manufacture products cost-effectively

according to stock estimates and customers' orders.

In addition, it was unable to track numerous orders, which led to delays in deliveries. This not only affected customer satisfaction, but it also reduced NTSL's ability to control and manage its credit line and accounts receivable. Materials purchasing and suppliers appraisal could not be done accurately according to production criteria as there was no clear visibility of customers' needs.

"SAP Business One is the world's leading ERP solution and there are many more areas to leverage in the future. And with our SAP platform, we now have an excellent base where we can apply even more advanced and powerful management functions later to sharpen our competitive edge."

Mr. Zhang Xianfeng, Vice President, NTS International (Chengdu) Ltd

Warehouse and inventory management were impacted too. NTSL faced difficulties in tracking and updating data on materials and spare components, resulting in sluggish turnover for materials. The company's ability to maximise manufacturing performance and drive down cost was reduced as well.

To solve these challenges, NTSL concluded that it must first streamline and standardise its work processes. The company decided to upgrade its enterprise resource planning (ERP) system to one that could grow alongside its business needs.

SAP Business One Is a Perfect Fit

After a comprehensive research process and careful analysis of enterprise resource planning (ERP) solutions in the market, the company finally opted for SAP Business One and signed a purchase agreement with Sichuan Shengpu Software Ltd.

The SAP Business One modules implemented included accounting, sales and procurement, stock, production, materials requirement planning, services, human resources, and customer relationship management.

"We decided to implement SAP Business One because SAP is the largest ERP solutions provider in the world. Another reason for choosing SAP is because of the performance and stability of SAP Business One," says Mr. Zhang Xianfeng, Vice President, NTSL.

Other reasons that convinced NTSL of SAP Business One's suitability were the user-friendly interface as well as its ability to be implemented cost efficiently, quickly and intuitively.

Returns on Investment Achieved

With joint efforts by managers and project group members, SAP Business One solution was successfully installed and has now been used by the procurement, production, sales, storage, accounts and the other relevant departments.

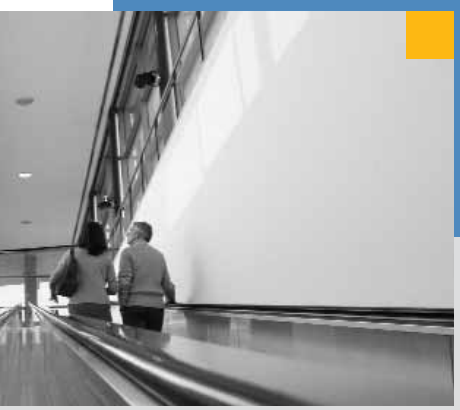
The implementation has proven to be beneficial for NTSL, as SAP Business One has integrated all the company's departments on one centralised platform. Business critical data such as goods and cash flow information are now consolidated, giving senior management real-time visibility to corporate data. As a result, decision making has been enhanced.

The implementation has also streamlined tracking and monitoring system for NTSL. Now that the sales, production and storage departments are integrated via the SAP platform, staff can easily update and access customers' orders, inventory, materials and other relevant data quickly. SAP Business One also allows managers to make cross department horizontal queries.

As part of the SAP implementation, NTSL adopted industry best practices as well, which enhances the company's processes and competitive edge especially in the long term. The best practices deployed include ERP Management Practices, Inventory Management Practices and Storage Management Practices. These standardise and improve each link in the operational process chain, guarantee smooth and stable operation of the ERP system and turn materials management into a systematic process.

By automating the company's processes and allowing staff to input data directly into the SAP system, NTSL is able to reduce manual errors, increase productivity and improve materials management standards.

After the implementation, accuracy of warehouse data has improved. It achieved a 99.8268% accuracy rate within the first month SAP Business One went live; this was increased to 100% three months later. It also looks forward to minimising discrepancies in warehouse data.



SAP BUSINESS ONE HELPS ROBERT THOMPSON DESIGN CARVE OUT MARKET NICHE

Established in May 2005, Robert Thompson Design Ltd has quickly established a strong client base to which it supplies a collection of imported leather products. It has chosen SAP® Business One to cater to their rapid future growth plans.

AT A GLANCE

Key Challenges:
- As an importer, the business requires foreign currency capabilities and transactions
- Import costing requirements
- Easy user interface
- Customer specific discount rates needed to be integrated into the system

Project Objectives:
- Required a core financial and business system that would handle a rapid growth strategy
- To meet the needs of customers. RT Design needed to be able to fill a large number of small orders efficiently

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Functionality and flexibility
- Security of reputable vendor
- Reliability of system
- Leading edge solution

Implementation Highlights:
- Rapid deployment
- Easy adoption by users
- Improved customer satisfaction levels

Key Benefits:
- Microsoft Outlook integration
- Elimination of a number of manual processes
- Solution takes care of currency conversions and other accounting processes
- Streamlined operations and improved efficiencies
- Improved visibility of company data
- Access to real-time reports

Channel Partner:
- Enprise Solutions

Database:
- Microsoft SQL Server

Hardware:
- HP

Operating System:
- Microsoft Windows XP

Using the style and allure of high-quality Italian leather, a small New Zealand company has carved out a lucrative market in little more than a year.

"You have to find a niche in this market, and for us it was offering a superior level of service that allowed us to make RT Design stand out in the minds of customers. Having SAP Business One in place has allowed us to achieve this with a staff of just three people."

Mr. Robert Thompson, Founder & Company Director, Robert Thompson Design

Established in May 2005, Robert Thompson (RT) Design Ltd has quickly established a strong client base to which it supplies a collection of imported leather products. Customers range from furniture manufacturers to interior designers and the marine industry.

Company director Robert Thompson said starting the operation from scratch had required the rapid selection and implementation of a core financial and business management system.

"We looked at a range of systems, including MYOB which was recommended by some suppliers, but eventually decided to invest in SAP® Business One from SAP partner, Enprise," he said.

SAP Business One has already delivered significant benefits to the young company. Invoicing and purchase order processes are streamlined, customer satisfaction is high and there is scope for rapid future growth.

"You have to find a niche in this market, and for us it was offering a superior level of service that allowed us to make RT Design stand out in the minds of customers," said Mr. Thompson. "Having SAP Business One in place has allowed us to achieve this with a staff of just three people."

RT Design's founder, Robert Thompson, had spent more than 25 years in the New Zealand textile industry before deciding to establish the new boutique venture. He spotted a gap in the market for a provider of quality Italian leather that could be used for anything from covering lounge suites to commercial applications, including corporate, hotels, and luxury yachts.

"We looked at a range of systems, including MYOB which was recommended by some suppliers, but eventually decided to invest in SAP Business One from partner, Enprise."

Mr. Robert Thompson, Founder & Company Director, Robert Thompson Design

"To meet the needs of our customers, we need to be able to fill a large number of small orders in an efficient way," said Thompson. "SAP Business One helps us to meet this challenge."

The integrated nature of the software package allows incoming orders to be converted directly into purchase orders which are sent to suppliers. Goods are then flown into New Zealand on a weekly basis.

"The software makes the whole process as efficient as possible," he said. "This is vital in a firm of our size."

SAP Business One also assists in the management of client price lists. Because of the competitive nature of the industry, customers receive varying discount rates which must be taken into account when invoices are created.

Rather than using a manual system where each client's details must be carefully checked before invoices are issued, SAP Business One completes the task in a single step.

"All we had to do was load all the pricing schedules into the system once. Now we can be confident that all customers receive the correct pricing for all orders. This reduces the need for credit notes and improves satisfaction levels."

Thompson said SAP Business One had also helped to simplify the often onerous task of shipment costing. When goods are imported, it is necessary to add the additional costs - such as customs charges, handling and taxes - to all items.

SAP Business One completes this task for each order automatically, averaging the costs across all items in a shipment and saving hours of manual work.

"Many companies use spreadsheets for this but SAP Business One has made the whole process a lot easier," said Mr. Thompson.

Another time saving feature is SAP Business One's ability to email documents, such as purchase orders, directly from within the application. This is achieved thanks to tight integration with Microsoft Outlook.

Thompson said he had also found SAP Business One's service module perfect for tracking any customer issues and ensuring they were resolved within an appropriate period of time.

"The flexibility of the software is very appealing for a growing business like ours - it matches our needs perfectly in that area," he said.

Support for RT Design's implementation is provided by Enprise.

Mr. Thompson said it was comforting to know that there was expert knowledge on hand should any issues arise.

"SAP Business One gives us the solid platform we need to support our growth into the future," he said.

"We didn't want to be in the position where, every few years, we were forced to change systems to keep up with our business demands."

COFFEE CLUB STIRS UP A STRONG BREW WITH mySAP ALL-IN-ONE

Coffee Club is one of Singapore's first gourmet coffee hospitality chains. It plans to increase market share in a highly-competitively F&B business to become Asia's leading coffee hospitality chain. With just 4 months' implementation time, mySAP™ All-in-One has helped to achieve that.

AT A GLANCE

Key Challenge:
- IT systems were not integrated

Solutions & Services:
- mySAP™ All-in-One

Length of Implementation:
- 4 months

Key Benefit:
- Enhanced operational efficiency and inventory management makes company more adaptable to market changes

Channel Partner:
- Unisoft Infotech

Singapore-based gourmet coffee hospitality chain Coffee Club had aggressive goals of increasing market share throughout Asia. However, the coffee chain's IT systems were not integrated, which prevented effective data consolidation, affecting decision making.

As part of the company's plan to overhaul IT software and hardware at its headquarters and outlets, Coffee Club decided to implement mySAP™ All-in-One for the Consumer Products industry. The modules implemented include Procurement and Inventory Management, Financials and Costing, Business Intelligence, and Human Resources.

> **"Being empowered with real-time information means we can change our product offering faster to suit consumers' changing tastes. This competitive advantage, coupled with our deep understanding of customers' lifestyles, enables us to deliver the best value to our customers."**
>
> Mr. Prabhu Ananth, Assistant Vice President, MIS, Coffee Club

The software was used to streamline the company's back-end IT systems and integrate them with a customer-facing system. This enhanced operational efficiency and provided senior executives with better visibility of the business, which improved decision making. This ultimately made the company more flexible and adaptable to ever-changing market conditions.

The software's business intelligence capabilities also improved visibility of materials flow across Coffee Club's supply chain. By enabling staff to manage inventory via a centralised system, the company is able to prevent stock-outs and forecast demand and supply more accurately.

DAESANG FEED BECOMES A PIONEER WITH SAP'S HELP

Headquartered in Korea, Daesang Feed was established in 1973 and specialises in the manufacturing and sale of livestock feed. With short implementation time of only 4 months, SAP has helped the company to improve its job efficiency.

AT A GLANCE

Key Challenge:
- Lacked integration between business departments

Solutions & Services:
- SAP's ERP solutions

Length of Implementation:
- 4 months

Key Benefits:
- Increased transparency
- Improved internal control and productivity

Channel Partner:
- Samil Consulting and Daesang IT

Hardware:
- HP Proliant 8500

Operating System:
- Microsoft Windows 2000 Professional

The use of IT as a key business enabler in Korea's livestock industry is a rare phenomenon. In this respect, Daesang Feed is a pioneer in more ways than one. The company recognises that a robust enterprise management solution and optimised business processes are crucial to thriving in a saturated and price-competitive market.

That was why Daesang Feed turned to SAP for help to integrate its sales, accounting, production, purchasing and manufacturing operations together. This increased transparency and improved the level of internal control across the organisation.

> **"The SAP solution has allowed us to reduce inventory and stabilise sales and production plans. This greatly improves our job efficiency since information can now be shared among departments."**
>
> Mr. Jung-Il Lee, Leader, Management Strategy Team, Daesang Feed

For instance, the company is now able to obtain details such as cost per sale, production and inventory data in real-time. This ultimately improves productivity and aids decision making. Plans are in the pipeline to adopt supply chain management and customer relationship management solution.

DAWOOD EXPORTS GETS A GOOD TASTE OF PROCESS EFFICIENCY THROUGH SAP

Singapore-based Dawood Exports started off in 1910 in the ship chandling business but has since turned its attention to trading and distribution of food and beverage products. SAP has improved its overall business process with an impressive lean implementation time of 2 weeks.

AT A GLANCE

Key Challenge:
- Legacy system was struggling to support multi-currency requirements

Solutions & Services:
- SAP® Business One

Length of Implementation:
- 2 weeks

Key Benefits:
- Raised customer service levels
- Ability to track and determine productivity and profitability levels

Channel Partner:
- SABRE Information Services

Open an office pantry or kitchen cupboard in Singapore, and chances are you will find a product exported and distributed by Dawood Exports. But the task of bringing in quality brands like Barilla, San Benedetto and Celestial Seasoning to airline kitchens, hotel chains and shopping outlets throughout Singapore require an enterprise management system that is able to accurately and efficiently track stocks and costs.

> **"With SAP Business One, we now have the ability to capture, organise and utilise information. The knowledge we gain from using the system is a strategic weapon and the key to our company's success."**
>
> Mr. R. Ramu, Managing Director, Dawood Exports

With an extensive network of operations and diverse range of products to manage, it soon became clear that its legacy system was unable to cope with Dawood Exports' growing needs. It was struggling to support the company's multi-currency requirements, which meant that the finance department had to personally compute numerous currency conversions. Besides being inefficient, the process resulted in data error.

In stepped SAP Business One, which was able to raise customer service levels providing staff with clients' delivery orders and invoice details in a cost-effective manner. Quotation details are also available online, enabling both management and sales staff to monitor sales and determine productivity and profitability levels for the month.

D.E. ELECTRONICS DISTRIBUTION PLANS AHEAD WITH SAP

D.E. Electronics Distribution has aggressive plans to establish Singapore as a regional hub before venturing into Hong Kong, Indonesia, and Australia. Soon after, SAP® Business One provided an integrated view of the business operations with only 3 weeks of implementation time.

AT A GLANCE

Key Challenge:
- Automate its manual and complex product distribution processes effectively, and prepare for growth

Solutions & Services:
- SAP® Business One

Length of Implementation:
- 3 weeks

Key Benefit:
- An integrated business system that improves operational efficiency, productivity, and customer satisfaction

Channel Partner:
- SABRE Information Services

As a new player in the distribution market, D.E. Electronics Distribution was eager for a larger slice of the pie. To achieve its aim of becoming Daewoo's largest sole distributor for regional and international markets, the consumer electronics distributor needed an enterprise resource planning (ERP) system that would support its growth plans.

D.E. Electronics found the answer in SAP Business One as the solution could support its immediate operational needs, and was scalable enough to accommodate future expansion plans in the region.

Prior to implementing SAP, the company was struggling to cope with a high volume of orders as its sales and shipping processes were all manual, causing operational inefficiencies and unnecessary human errors.

> **"We chose SAP Business One as it is powerful and efficient, providing an integrated view of the business operations. It is not only a perfect fit but is easy to use, giving us the scalability that we need."**
>
> Mr. Sebastian Chia, Managing Director, D.E. Electronics Distribution

With an integrated business system built on SAP Business One, business processes are now automated and streamlined. This made activities like order processing, inventory and shipping management, and invoicing so much more efficient. Centralising business-critical data on SAP also enabled the management to analyse company performance and make decisions in real-time. Staff's response time to sales and shipping requests and queries improved as well, thereby eliminating customer complaints and enhancing customer satisfaction.

I.P. TRADING MOVES WITH THE TIMES

I.P. Trading Ltd in Thailand produces and distributes consumable and non-consumable products like cleaning liquids, clothes softener, milk and soft drinks. Founded about 30 years ago, 90 percent of its business comes from the domestic market.

AT A GLANCE

Key Challenge:
- A centralised, enterprise management system to optimise its production, distribution, sales and marketing processes

Solutions & Services:
- SAP's ERP solutions

Length of Implementation:
- 6-7 months

Key Benefit:
- Increase efficiency and generate highly-analytical reports to enhance decision making

Headquartered in Thailand, I.P. Trading Ltd has more than 30 years of experience producing and distributing both consumable and non-consumable products to local clients as well as those in Cambodia, Indonesia, Myanmar, Singapore and Vietnam. Its business volume and inventory grew so much that management decided enterprise management software was essential to optimise its production, distribution, sales and marketing processes. It also wanted the solution to speed up delivery time and enable collaboration between departments, including allowing sales staff to enter orders remotely into the sales and production system.

> **"SAP is the most appropriate solution for our business. We believe SAP can deliver a return on investment in the long-term."**
>
> Mr. Vasin Permpoolsap, Accounting Manager, I.P. Trading Ltd

SAP's ERP solutions proved to be the ideal solution. Once implemented, the solution eliminated unnecessary manual tasks, as well as streamlined and integrated business processes. This provided the group with a centralised system to obtain business critical data in real-time, generating highly-analytical reports that enhance decision making.

SHAKEY'S PIZZA STREAMLINES FINANCIAL AND MATERIALS MANAGEMENT SYSTEM

Shakey's Pizza is operated by International Family Foods Services Inc. (IFFSI) which manages around 80 Shakey's Pizza branches nationwide. IFFSI sells Shakey's Pizza franchises, manages its store and supervises the delivery of goods.

AT A GLANCE

Key Challenge:
- To integrate decentralised financial modules into one system

Solutions & Services:
- SAP's ERP solutions

Length of Implementation:
- 6 months

Key Benefit:
- Enhances complex business processes, boosts productivity, increases efficiency, and saves substantially on costs

Channel Partner:
- Strategic Systems and Information Professionals (SSIP-Asia)

Shakey's Pizza, one of the leading pizza chains in the Philippines, effectively streamlined the company's financial system and improved overall business processes with SAP's ERP solutions. The company went live with SAP at its head office in Taguig, Metro Manila, within six months.

The big challenge was to pull together the company's decentralised financial modules into one integrated system. Many goods move in and out, 70% of which are consumables, requiring accurate recording, monitoring and on-time delivery to other branches. Shakey's Pizza required a well-run material management system that was integrated with its financial system.

> **"Operational efficiency and well-run procurement are critical for business expansion. SAP made the company more productive and competitive by minimising human error through automatic data entry validation, delivering accurate information for decision making, and effectively handling the company's materials management division."**
>
> Mr. Armie Andres, Management Information Systems Manager, Shakey's Pizza

SAP offers three key attributes that are important for the company – flexibility, drill-down capability, and user-friendly application. Not only did SAP suit their business processes, it consolidated their decentralised financial components, and it was also easy to use.

SIOW CHIANG REELS IN A WINNER WITH SAP BUSINESS ONE

Siow Chiang & Co. is a leading manufacturer, wholesaler, and supplier of fishing equipment in South East Asia. It chose SAP® Business One to improve its shock visibility and customer order details.

AT A GLANCE

Key Challenge:
- Upgrade a bug-ridden IT system to one that supports aggressive growth plans

Solutions & Services:
- SAP® Business One

Length of Implementation:
- 2 months

Key Benefits:
- Increase stock visibility and real-time transaction updates
- Order cycle time is reduced by 30% and stock levels are reduced by 20%
- Time to close monthly accounts is reduced by 50%
- Real-time system updates any transaction immediately
- Credit controls are more stringent
- Using the system requires little training
- Customer service is improved with system visibility

Channel Partner:
- HeadStart Systems

For four years, Siow Chiang & Co. has been using an off-the-shelf software package to support its accounting, sales, and distribution functions. But increasingly, the fishing equipment manufacturer, wholesaler, and retailer found its IT system lacking in the areas of stock visibility and customer order details. Faced with growing competition from China, Siow Chang decided to upgrade its software to support its mission of becoming a one-stop hub for fishing enthusiasts worldwide.

> **"We were attracted to SAP Business One as it has the potential for growth, allowing us to upgrade to mySAP ERP if the need arises in the future. The scalability of SAP Business One is critical as we have plans to integrate our overseas subsidiaries with the SAP solution in Singapore."**
>
> Mr. Jessica Toh, Administrator, Siow Chiang & Co.

Siow Chiang found the answer with SAP Business One. The company was initially attracted by the solution's scalability and potential for growth. The quick 2 month implementation, has now helped the company to obtain real-time transaction updates, as well as monitor and update its large inventory of 15,000 stock keeping units (SKUs) seamlessly. This reduced order cycle time by 30%, stock levels by 20%, and improved customer service.

SAP's single point of data entry has also improved staff and process efficiency. Its ability to provide real-time data updates means that Siow Chiang can reduce the time it takes to close its month-end books by half.

BLUE-BOX RUNS SAP

Engineering, Construction & Operations

Singapore

Engineering, Construction & Operations

TEHO ROPES & SUPPLIES TIES UP LOOSE ENDS WITH SAP BUSINESS ONE

Teho Ropes & Supplies needed an enterprise management system to integrate its accounts, inventory and sales processes together. SAP® Business One delivered the benefits the company was looking for.

Running a growing business in today's globalised environment is fast becoming a delicate act on the tightrope. For Singapore-based marine supplies and rigging company Teho Ropes & Supplies (Teho), technology is a key enabler to gain competitive advantage and propel progress.

"It is money well spent and I'm very happy we took the step to migrate to SAP Business One."

Mr. Lim See Hoe, Managing Director, Teho Ropes & Supplies

Incorporated in 1986, Teho enjoys a long and illustrious history as one of Singapore's oldest firms in the rigging industry, guided by the principles of providing quality products and excellent service.

As a stockist, distributor and exporter of industrial ropes, chains and accessories, and provider of fabrication and testing services, Teho has a diverse clientele base. Its customers are mainly from the marine industry although it also serves those from the port, offshore, construction, transportation, mooring, towing, logging, elevator and mining sectors.

"So long as there is a need to hoist or tie-down something, our ropes can be sold anywhere," explains Mr. Lim See Hoe, Managing Director, Teho.

AT A GLANCE

Website:
- www.teho.com.sg

Key Challenges:
- Legacy accounting software could not meet emerging business needs
- Extracting business critical data for analysis was a tedious, time-consuming process

Project Objective:
- To replace its legacy accounting software, Accpac, with an enterprise management tool that can grow alongside its business needs

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Offers advanced analytical tools and access to real-time data
- Scalable

Implementation Highlights:
- Implemented within three months
- 10 users

Key Benefits:
- Management has greater insights into overall business operations, from sales, accounts, procurement, inventory to customer management
- Improved staff productivity
- Increased customer satisfaction

Channel Partner:
- The World Management

Existing Environment:
- Accpac

The World Management

Managing these markets requires Teho to stay abreast of the latest developments in the industry and satisfy clients' ever-changing requirements. To achieve this, Teho started leveraging IT in 1997 to manage its accounts. However, as more global contracts poured in, the company realised that having accounting software alone was not enough to handle the increased complexity of its business requirements. This sent Teho on its quest for an integrated enterprise system, which culminated with the deployment of SAP Business One.

Legacy Limitations

Teho traditionally supplied a few thousand tons of ropes each year to customers in Asia. However, that changed as market dynamics shifted.

Although Singapore is the biggest port-of-call for marine supplies, there are three other main supply centers, namely Dubai, Rotterdam and Houston. And as ship owners globalized their operations, Teho had to extend its operations to Dubai in 2003 as part of its strategy to better manage contracts and fend off competition coming in from all corners of the world.

"Every time we tried to get new information to chart our business growth, it was almost as if we were creating a new report from scratch. Even minor changes required external help, which was ridiculous."

Mr. Lim See Hoe, Managing Director, Teho Ropes & Supplies

"We were using Accpac for eight years. Although it was a good accounting software, it didn't meet our other business needs," says Mr. Lim.

For instance, extracting critical information for sales and inventory analysis was a tedious affair as the process required modifications to the rigid software architecture.

"Every time we tried to get new information to chart our business growth, it was almost as if we were creating a new report from scratch," he adds. "Even minor changes required external help, which was ridiculous."

The management also frowned on the system's limitations in integrating sales, bill of materials, inventory and accounts management on a centralized platform. Staff had to manually compute inventory outflows from purchase orders through Excel spreadsheets, resulting in unnecessary errors and lag times.

This is a critical problem to avoid as it typically takes 1.5 to 2 months to produce a length of rope, which means Teho has to ensure its warehouse has the type and quantity customers need readily available the minute their ships enter a port-of-call. So making sure that its inventory is kept at an optimal yet cost efficient level would require a system that could integrate purchasing tightly with sales and inventory management.

Another bugbear that prompted an enterprise software overhaul was the inability of the old system to accurately track which countries the orders came from, let alone analyse the sales data.

To prevent these issues from impeding business growth, Teho decided it was time to migrate to a new business management platform.

The Switch to SAP

Teho's first attempt at upgrading its enterprise management system in April 2005 was fraught with so many complications and disagreements with another software vendor that it had no choice but to renew its search for a more appropriate solution.

The hunt led to a meeting with SAP's implementation partner, The World Management (TWM). SAP Business One

came strongly recommended by TWM as its analytical tools and ability to offer access to real-time data were exactly what Teho required. With it, TWM was confident Teho would be able to understand its market and operations better, and gain competitive advantage in the long run.

"Time is money these days. So if there's a need to make an early purchase to replenish stock based on the information I see with SAP Business One, we can do it right away."

Mr. Lim See Hoe, Managing Director, Teho Ropes & Supplies

The deployment process for SAP Business One started in July 2005 and took a mere three months to complete. Implementation was also smooth as Teho had already defined the project requirements from its initial attempt.

Business Insights

Today, Mr. Lim has greater insights into Teho's overall business operations, from sales, accounts, procurement, inventory to customer management. Not only does this enhance decision making, it allows him to track and obtain accurate, up-to-date business critical data just at the click of a button.

With SAP Business One, Mr. Lim can check what was sold, to whom, at what price and margin, and stock balance the moment his staff key in their sales transactions. "Time is money these days. So if there's a need to make an early purchase to replenish stock based on the information I see with SAP Business One, we can do it right away," he adds.

Staff productivity has also improved. For instance, the accounts division no longer posts data manually into the general ledger at day-end nor calculate inventory cost by hand. Instead, the SAP system has enabled inventory to be accounted for using a perpetual inventory method rather than periodic inventory method, resulting in time savings.

In addition, Teho's sales personnel appreciate the convenience the SAP application offers. Gone are the days when they had to plough through spreadsheets and speak with different parties before they could extract order details upon clients' request. Since the required data can now be obtained in real-time via the SAP application, customer satisfaction has increased as a result. To enhance Teho's value even further, the next logical step would be to create a website for customers to log in and retrieve information themselves, adds Mr. Lim.

Plans are also in the pipeline to make use of the Alert features offered by SAP Business One to help Teho better manage its inventory level. So when the inventory level runs low, all sales staff will receive an alert regarding items with insufficient quantity, preventing them from over committing to customers. And although it will explore additional modules like sales opportunity management and human resource in the future, the priority is to refine the existing SAP solution. After all, management is more than satisfied with its investment.

"It is money well spent and I'm very happy we took the step to migrate to SAP Business One," Mr. Lim concludes.

SAP BUSINESS ONE ENHANCES COST CONTROL FOR GENERAL TEC

General Tec wanted to have more comprehensive and effective control of its cost to gain competitive advantage. With a lean implementation of less than 2 months, SAP® Business One has streamlined its operation and helped to gain a clear view to make business-critical decisions.

AT A GLANCE

Website:
- www.general-tec.com

Key Challenges:
- Internal processes not integrated to produce accurate data
- Data entry caused redundancies and was subject to human error

Project Objectives:
- Complete and effective cost control
- Integration of internal processes

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP's reputation and expertise
- SAP Business One's comprehensive production processes module
- SAP Business One's powerful reporting functionality

Implementation Highlights:
- Solution went live in less than 2 months

Key Benefits:
- Business processes now streamlined to produce precise data
- Visibility over its business processes
- Reduction of operating risks
- Extensive database of reporting templates
- Single data entry procedure eliminates errors

Channel Partner:
- Zi Guang Consulting Business Division
- SAP Consulting

Database:
- Microsoft SQL Server

Operating System:
- Microsoft Windows 2003

China-based General Tec is a Sino-American joint venture that provides original equipment manufacturer (OEM) services for Fortune 500 manufacturing firms mainly from the US and Europe. It has a 10,000 square metre design and manufacturing plant with automated testing facilities.

The company aims to provide its clients with high quality products and goods assembly at a low cost. But as competition increased, General Tec realised that it needed an advantage the competitors with similar production facilities. With this in mind, General Tec decided to install an integrated business solution that could ultimately help it implement effective cost control over its internal processes.

"SAP Business One stood out for us because of its capabilities and system integration. We were confident from the start that with SAP, we will have an essential advantage over our competitors."

Mr. Gao Qiang, Head of Inventory and Planning Department, General Tec

A lack of integration among the organisation's business processes meant that information sent between the various departments took a long time to arrive. In addition, the same data had to be entered multiple times, resulting in data that was redundant and subject to human error.

With inaccurate data reports, it was difficult for the management to have a clearer understanding of the cost involved in the production process. They were thus unable to make accurate decisions on reducing operating risks and implementing cost control measures.

SAP Business One Beats Local System

During the selection process, it was a choice between a locally-designed system and SAP Business One. During the evaluation, General Tec found that the production process module for the local system was limited and not well integrated with its financial module, which meant that the management would not be able to have reliable data from production to make business-critical decisions.

"One great advantage of SAP Business One is its scalability, which can keep pace with our growth."

Mr. Gao Qiang, Head of Inventory and Planning Department, General Tec

In contrast, SAP Business One has a broad scope of capabilities and comes with a more comprehensive production process module. SAP Business One also possesses the powerful reporting functionality that General Tec's management was looking for. The management was also impressed with SAP's reputation and track record.

"SAP Business One stood out for us because of its capabilities and system integration. We were confident from the start that with SAP, we will have an essential advantage over our competitors," says Mr. Gao Qiang, Head of Inventory and Planning Department.

With the help of implementation partners, Zi Guang Consulting Business Division and SAP Consulting, SAP Business One went live in less than two months. The following modules; Finance Accounting (FI), Controlling (CO), Material Management (MM), Production Planning (PP), Sales & Distribution (SD) were installed.

SAP Business One for a Clear Picture

With its new integrated system, General Tec has streamlined its production and management processes. The management now has instant access to detailed and specific reports to reflect a more realistic picture of General Tec's business operations. This allows the management to have visibility over its business processes and reduce operating risks.

SAP Business One has given General Tec an extensive database of reporting templates that covers sales, accounting, warehousing, financial as well as item-by-item formats. General Tec employees are able to extract data from the system and put the figures together in a customised report template. For instance, the gross profit for a particular product takes only a few minutes to extract in the preferred report format, even though the figures may come from different modules.

The company is already making plans to expand the potential of SAP Business One. It will be extending the production module to minimise the problem of over ordering.

The management is also looking to add functionality in the system. Overtime of workers will be input into the system to allow the management to have better visibility and control of all costs involved in the production.

SAP HELPS VELUX BRING THE SUNLIGHT INDOORS

VELUX's senior management team in Denmark realised the company needed to upgrade the core applications used by its sales teams around the world. The company took the decision to implement SAP® Business One in each of its sales operations, including New Zealand.

AT A GLANCE

Website:
- www.velux.co.nz

Key Challenges:
- Ability to integrate with head office in Denmark, which uses mySAP™ Business Suite
- Complex business relationships with suppliers and sales companies

Project Objectives:
- Improve process efficiency around reporting
- Standardise on a single platform that could support operations well into the future

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Intuitive interface and logical structure
- Ease of use
- Best long term solution to enable an integrated business platform
- Security and reliability of system

Implementation Highlights:
- New Zealand operation was one of the first locations to go live
- Support from REALTECH Limited to achieve the level of integration needed

Key Benefits:
- Company wide integration of all data and systems
- SAP Business One now gives a clear picture of how sales operations are tracking world-wide
- Streamlined internal reporting procedures
- Allows accurate planning and forecasting

Channel Partner:
- REALTECH Limited

Database:
- Microsoft SQL Server

The benefits of living and working in spaces filled with natural light are well known, but sometimes building design or location can make it difficult to bring natural light to the workspace. Ceiling spaces, corridors or awkwardly shaped rooms can require special thought if they are to be bathed in sunlight or enjoy access to fresh air.

"We took the decision to base our core processes around SAP because it gave us the performance and flexibility that we needed to support ongoing business operations."

Mr. Thilo Sterner, Group Information Systems Project Manager, VELUX

For more than 60 years, Danish-based company VELUX has specialised in the design and manufacture of skylights and roof windows that bring natural light into buildings. With production sites around the world and sales offices in more than 40 countries, the company is a leader in its field.

About two years ago, the VELUX senior management team in Denmark realised the company needed to upgrade the core operational applications used by its sales companies around the world. Rather than the mix of different packages in use, senior management wanted to standardise on a single platform that could support operations well into the future.

The company already had a long-term working relationship with SAP, having implemented an SAP Enterprise Resource Planning (ERP) system at its headquarters and nine sales companies in Europe. The company is rolling out SAP across its distributed manufacturing operations and North America business.

"We took the decision to base our core processes around SAP because it gave us the performance and flexibility that we needed to support ongoing business operations," said VELUX group information systems project manager, Mr. Thilo Sterner.

"We wanted to extend these strategic characteristics to our in-country operations in 40 markets around the world and entered the market for a product that was suitable for our smaller sales operations."

"We have been able to streamline our internal reporting procedures which has improved efficiency and allowed more accurate planning and forecasting."

Mr. Thilo Sterner, Group Information Systems Project Manager, VELUX

The company took the decision to implement SAP Business One in each of its sales operations around the world because of the tight integration that it offered with the mySAP™ ERP solution.

The New Zealand office was one of the first to go live, with the implementation managed by SAP partner REALTECH.

"New Zealand had been using an Attaché system, which had an aging interface and did not provide us with the level of reporting that we required," said Mr. Sterner. "It was obvious that we needed a replacement."

Mr. Sterner said the primary driver for the selection of SAP Business One was the ability it provided to integrate with the mySAP Business Suite and with the company's data warehouse.

"On paper it appears quite straight-forward to plug-and-play the systems," he said. "But because we have complex business relationships with our suppliers and our sales companies, it is actually quite challenging to achieve. "However, with support from REALTECH and SAP, we are able to achieve the level of integration we needed."

The combination of the mySAP system and the growing number of SAP Business One applications gives VELUX a clear picture of how the sales operations are tracking around the world.

Mr. Sterner said the company had been able to streamline its internal reporting procedures which improved efficiency and allowed more accurate planning and forecasting.

"We can take the information we need from the systems in the form we like to have it, which means we can compare figures in the same format for each region," he said.

From an end user perspective, SAP Business One has been easy to learn, thanks to an intuitive interface and logical structure. The company is now planning further roll-outs in its subsidiary sales companies.

Each subsidiary uses SAP Business One for all core activities including financials, sales and purchase ordering and inventory management.

"We have managed to avoid making significant customisations to the SAP Business One modules," said Mr. Sterner. "We had the aim to use the software in as standard a form as possible, to reduce maintenance further down the track."

VELUX plans to continue rolling out SAP Business One in each sales location, aiming to complete the process within the next two years.

WUXI TECO DRIVES COMPETITIVENESS WITH mySAP ALL-IN-ONE

Wuxi TECO Electric Machinery Co. Ltd wanted an efficient information system that would enable it to keep up with product innovation and customer demands. With the implementation of mySAP™ All-in-One, it is able to improve business processes.

AT A GLANCE

Website:
- www.teco.com.tw

Key Challenges:
- Lack of standardisation across operational processes
- Unable to manage information efficiently
- Growing volume and diversity of customer demands
- Decreased visibility of information hampered management's ability for business planning
- Time-consuming process financial settlements

Project Objectives:
- Integrate all business operations into one centralised system
- Develop real-time system to manage volume and diversity of customer demands
- Automate inter-company financial reporting
- Increase management's ability to retrieve and analyse information

Solutions & Services:
- mySAP™ All-in-One

Why SAP Solution:
- SAP application offers powerful integration capabilities
- SAP application is able to support multiple languages
- Cost-effective and in line with Wuxi TECO's growth plans
- SAP partner, ITTS demonstrated deep industry experience and understanding of Wuxi TECO's needs

Implementation Highlights:
- Implemented in its headquarters in Taiwan and China
- 80% of the new system in China corresponded with SAP solution in Taiwan; the remaining 20% of the SAP system in China was tailored for local demands

Key Benefits:
- Financial settlements process reduced from one week to 3 or 4 days
- Ability to gather real-time information about customer demands
- Sales rose by more than 50% while production has increased between 70% and 90%
- Enhanced accuracy of demand forecasts for assembled products
- Superior business planning and resource allocation ability
- Improved efficiency and productivity in workflow processes
- Increased competitive edge

Channel Partner:
- Information Technology Total Services

As a subsidiary of high-tech enterprise group TECO Electric & Machinery Co., Ltd, industrial motor manufacturer Wuxi TECO Electric Machinery Co., Ltd manages a wide range of business operations on a daily basis. These activities include dealing with a growing number of customers, maintaining research and development capabilities, ensuring consistently high production levels as well as generating sufficient sales. Keeping on top of all these activities is the key to Wuxi TECO's success and its leading position in the industrial motor manufacturing market.

"Staff no longer feel overwhelmed by the large amounts of information that they have to deal with daily. mySAP All-in-One, effectively manages the burgeoning volume of information and ensures that all business operations run smoothly."

Mr. Frank Tseng, President of Wuxi TECO

With the company's rapid expansion, in particular into the China market, Wuxi TECO found it had trouble coping with the vast amounts of information that it was faced with daily. Not only did staff have to deal with a growing number of clients, but customer demands were also becoming increasingly diverse.

In addition, due to the lack of integration of business processes across the board, there was low visibility of business information. As a result, staff found it difficult to retrieve customer information, rendering them unable to respond promptly to customer enquiries. The management too, suffered from this lack of access to information, as they were unable to effectively allocate resources and make timely business decisions.

Operational flexibility was lacking, as the company did not have a system that could be customised to support multiple languages, or tailored according to the specific local demands. The lack of these crucial capabilities hindered Wuxi Teco's progression, especially as the company had numerous global operations that all needed to communicate with one another.

"The operational flexibility of mySAP All-in-One was a big draw for us, as the system could be customised according to our specific needs. China's business environment posed many challenges for us, but mySAP All-in-One allowed us to tailor the system according to local market regulations and nuances, providing us with the potential to overcome these difficulties."

Mr. Frank Tseng, President of Wuxi TECO

Building Upon the Basics

To ensure customer satisfaction and maintain its competitive edge, Wuxi TECO knew it required a more efficient information system. The company needed not just an integrated system, but also one that would ensure the standardisation of all its business processes and efficient information management. This would be the crux to allowing Wuxi TECO higher operational efficiency, real-time access to information and more importantly, enhance its customer service capability and competitiveness.

Wuxi TECO decided to go with SAP as its new solutions provider primarily because of its parent company's positive experience with SAP. mySAP All-in-One was adopted across all business units in Wuxi TECO as it fit the company's requirements. mySAP All-in-One offered powerful integration capabilities, could support multiple languages, and was cost-effective.

"The operational flexibility of mySAP All-in-One was a big draw for us, as the system could be customised according to our specific needs. China's business environment posed many challenges for us, but mySAP All-in-One allowed us to tailor the system according to local market regulations and nuances, providing us with the potential to overcome these difficulties," says Mr. Frank Tseng, president of Wuxi TECO.

Information Technology Total Services (ITTS), an SAP partner, was chosen as the implementation partner due to the vendor's long industry experience, professionalism and deep understanding of Wuxi TECO's needs. It helped the company implement five modules: Sales Distribution (SD), Production Planning (PP), Materials Management (MM), and Financial and Controlling (FICO) under mySAP All-in-One.

SAP Generates Greater Competitive Edge

Improved information management capability is one benefit that Wuxi TECO now enjoys after implementing mySAP All-in-One.

"Staff no longer feel overwhelmed by the large amounts of information that they have to deal with daily. mySAP All-in-One effectively manages the growing volume of information and ensures that all business operations run smoothly," remarks Mr. Tseng.

Business information is easily available now at Wuxi TECO, with staff and management alike being able to retrieve information promptly and effortlessly. There are quantifiable time savings to this aspect as well.

"Financial settlements used to be a tedious process that would take up to a week to complete in the past. Using mySAP All-in-One, the process is finished in just three to four days. The staff are much happier as it makes their jobs so much easier," says Mr. Tseng.

More importantly, mySAP All-in-One has enabled Wuxi TECO to maintain a strong competitive advantage by helping the company to innovate and differentiate its products from its rivals.

Based on information captured in the system, combined with research on market demand, management has been able to make timely decisions on resource allocation, product offerings and subsequently offer customers competitive prices. As a result, sales figures rose by an impressive 53.2 percent. Production volume of large motors also increased by nearly 90 percent, while the production volume of frequency converters went up by 70 percent.

"mySAP All-in-One is truly a worthwhile investment, despite the slightly higher price that SAP asks over its competitors. Choosing the right software is crucial to a company's success. We have certainly chosen well, given all the benefits we reap from the new SAP system."

Mr. Frank Tseng, President of Wuxi TECO

Planning for the Future

mySAP All-in-One has clearly played a significant role in improving Wuxi TECO's business performance. Mr. Tseng is so satisfied with the benefits brought about by the SAP implementation that he is already looking further towards the future.

In the pipeline are plans to implement the Advance Planning Optimization (APO) module, which will allow the company to gather real-time information about customer demands and make more accurate demand forecasts for its assembled products. The APO module will also enable Wuxi TECO to potentially plan the factory's daily work orders in detail, or change an existing work order for greater efficiency.

"mySAP All-in-One is a truly worthwhile investment, despite the slightly higher price that SAP asks over its competitors. Choosing the right software is crucial to a company's success. We have certainly chosen well, given all the benefits we reap from the new SAP system," says Mr. Tseng.

DUMEX RUNS SAP

CHANGZHOU RIGHT ENGINEERING PLASTICS SCALES GROWTH WITH SAP BUSINESS ONE

Changzhou Right Engineering Plastics imports and sells engineering plastics, plastic films and sheets, electronic components, and distributes products for manufacturers. After implementing SAP® Business One, it managed to increase its monthly turnover by 30%.

AT A GLANCE

Key Challenge:
- Smooth integration of the finance and operational systems

Solutions & Services:
- SAP® Business One

Key Benefit:
- Monthly turnover increased by 30 percent and ROI expected within six months

Channel Partner:
- Shanghai UpServices Software Services

Database:
- Microsoft SQL Server 2000 Service Pack 3

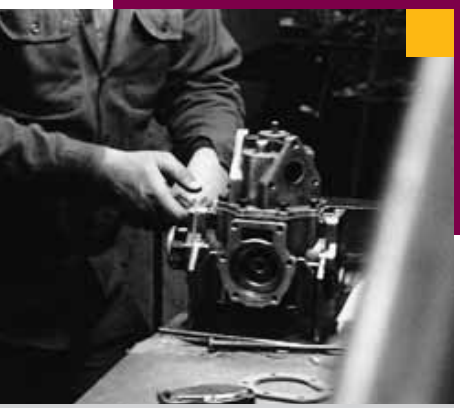
Operating System:
- Microsoft Windows 2000 Server

As a growing business, China-based Changzhou Right Engineering Plastics Co. Ltd was eager to grab all the market opportunities to fortify its market presence and make expansion a reality. To do this, this trading company needed a stable IT foundation that was scalable enough to meet future needs. That was why it decided to upgrade to a more robust enterprise resource planning (ERP) system that will streamline internal processes, integrate operational, logistics and financial data, and enable information sharing.

> **"It's almost as if SAP Business One was custom built for us. From the first sales enquiry, quotation to order fulfillment, everything can be executed on this system."**
>
> Mr. Zhang Min, Managing Director, Changzhou Right Engineering Plastics Co. Ltd

After implementing SAP® Business One, the company is able to achieve the process automation and integration it was looking for. It eliminates unnecessary manual tasks as well as discrepancies between its sales and finance data. This resulted in enhanced operational efficiency and clarity on the status of its business.

Changzhou Right Engineering Plastics' monthly turnover rised by 30 percent, and the management also expects to recoup its return on investment (ROI) within six months. With greater data transparency and management insights on market conditions and sales performance, the company is on its way of achieving annual sales turnover of €30.6 million.



TRAKTOR NUSANTARA USES SAP TO BULLDOZE COMPETITION

Traktor Nusantara is an Indonesian industrial and agricultural machinery distributor. Set up more than 30 years ago, it distributes industrial equipment like forklift, agricultural and construction machinery. It chose mySAP™ All-in-One which was implemented within 6 months.

AT A GLANCE

Key Challenge:
- Lacked visibility and company's business processes were not integrated

Solutions & Services:
- mySAP™ All-in-One

No. of Users:
- 47

Length of Implementation:
- 6 months

Key Benefits:
- Improved visibility
- Maximised efficiency
- Improved value to customers

Channel Partner:
- SCS Astragraphia Technologies

With its previous business management system, Traktor Nusantara suffered from inefficient decision making due to a lack of visibility and integration across its business processes, which resulted in slow and tedious decision making processes.

In May 2005, the Indonesian industrial and agricultural machinery distributor decided to implement mySAP All-in-One as part of its strategy to accelerate growth and strengthen its leadership position in the market.

Traktor Nusantara's invested in mySAP All-in-One including Financials and Operations, Supply Chain Management and Product Lifecycle Management modules. It appointed SCS Astragraphia Technologies for the project as it felt that the channel partner shared its passion for excellence and had an in-depth understanding of industry processes.

> **"We knew that SAP is the undisputed leader in business software solutions with in-depth business and industry know-how. Therefore, implementing SAP would enable us to maximise our operational efficiency [making them] on par with world-renowned companies."**
>
> Mr. Antonius Sudiyanto, Director, Traktor Nusantara

With this SAP implementation, Traktor Nusantara improved its visibility, maximised efficiency and improved value to its customers. On top of that, it is now able to respond to market opportunities more quickly.

Fabricated Metal Products

ALLIED TECHNOLOGIES SELECTS SAP TO EXPAND ITS FOOTPRINT IN ASIA

Allied Technologies manufactures metal components for computers, printers, home appliances and telecommunication equipments. Incorporated in Singapore in 1990, it is now a leading player in its market.

AT A GLANCE

Solutions & Services:
- Financials, Cost Controlling, Human Resources, Sales & Distribution, Materials Management, Product Planning, Quality Management, Product Management, Project System

No. of Users:
- 50

No. of Sites:
- 4: Singapore, Malaysia (Johore)

Length of Implementation:
- 6 months

Revenue Turnover:
- €61 million

Sustaining growth and profitability in a business for the long term required an information technology (IT) platform that is reliable and scalable. The business challenge for Allied Technologies was to maintain cost competitiveness in its production process amid technological advancements and regional price competition.

The implementation project, which began in September 2000, was divided into five phases. Within six months, Allied Technologies started to reap the benefits of choosing SAP.

> **"We needed to take the guesswork out of running the business. Now, I can instantly track the company's productivity and financial health using KPIs such as the profit margin."**
>
> Mr. Hsu Ching Yuh, Managing Director, Allied Technologies Limited

Before, financial statements were issued one month after the close of the preceding month; now Allied Technologies receives financial reports 10 days after the end of any month. SAP now empowers Allied to reduce its idle inventory stock from 34 to 24 days – a significant improvement of about 30 percent.

Strategic management and financial governance are now within grasp – the management team has a common and transparent view across all lines of businesses, enabling them to make accurate decisions, track profit margins and retrieve information easily.

SAP PREPARES SPINDO FOR THE WORLD STAGE

Established in 1971, PT Steel Pipe Industry of Indonesia (SPINDO) manufactures a wide range of steel pipes/tubes and other steel products.

AT A GLANCE

Solutions & Services:
- mySAP™ All-in-One, SAP Best Practices

No. of Users:
- 75

No. of Sites:
- 4

Length of Implementation:
- 6 months

Channel Partner:
- Perdana Consulting

Enterprise systems that cannot adapt with the changing business landscape can hinder a corporation's growth potential, a lesson PT Steel Pipe Industry of Indonesia (SPINDO) learned when it was looking at strategies to maximize growth.

Despite steady expansion of market share and revenues, SPINDO's ability to achieve maximum capacity and profitability was hindered by poor business visibility. Reports could not be generated quickly and even when they were generated, they were often inaccurate.

> **"We knew that leading companies of the world implemented SAP and that doing the same would lead us to world-class success."**
>
> Mr. Wely Susanto, Business System Manager, PT Steel Pipe Industry of Indonesia

As a result, it was difficult to make the right decisions without delay. In addition, SPINDO could not execute effective controlling because the required data were not readily available. The management realized it was time to change their in-house software and they decided to go with SAP's FastMills, a mySAP™ All-in-One solution. SPINDO was also the first customer in this industry to implement SAP Best Practices.

With SAP, SPINDO aims to achieve sales revenue of €74 million through improvement of human resources quality, 90% on time delivery, net profit of 10%, and zero complaints regarding the quality of goods.

REGENCY STEEL ASIA EXTENDS BUSINESS CAPABILITIES WITH mySAP ERP

As a trader and distributor of steel products, Regency Steel Asia distributes over 70,000 tons of steel products and has over 1,000 customers in Asia Pacific since it was established in 2004. With lean implementation time of only 3 months, SAP was chosen as the ERP solution.

AT A GLANCE

Key Challenges:
- Integrity of data
- Business operations lacked transparency
- Unable to check inventory and stock availability

Solutions & Services:
- mySAP™ ERP

No. of Users:
- 30

Length of Implementation:
- 3 months

Key Benefits:
- Greater insight and control of business operations
- Elimination of manual processes
- Ability to drill down into each transaction and trace every order

Channel Partner:
- ESP Management & Consulting Services

Having a firm IT foundation is important for any company that wants to transform a traditional business model into one that focuses on customer loyalty and delivering value-added services. This was the reason why Regency Steel Asia (RSA) sought an enterprise resource planning (ERP) solution that could enhance its trading operation, flesh out its value proposition and ramp up its competitiveness.

> **"The competition is intense. SAP has enabled us to reinvent the way we do procurement, logistics and strategic operational processes."**
>
> Mr. Kelvine Chong, Executive Director and Chief Operations Officer, Regency Steel Asia

Using a SAP solution, RSA saw a marked improvement in the level of insight and control it received in its logistic and financial operations.

The company is primed for ISO9001:2000 processes now that existing process flaws have been eliminated and control procedures imposed. Previously, a shipment might leave RSA's warehouse without proper papers such as a purchase order and sales contract to clients who might even have outstanding credit. All these problems are eliminated with the SAP application. Data accuracy has also improved markedly. For instance, stock error rate has fallen to less than 1 percent for the company's 4,000-item inventory that is valued at €34 million.

THOMAS LAPP CABLE KOREA DOUBLES WORK PRODUCTIVITY WITH SAP BUSINESS ONE

Thomas LAPP Cable Korea manufactures and imports industrial cables and connectors for aircrafts, power plants and ships from affiliated companies in Germany, Singapore and Europe for distribution in Korea.

AT A GLANCE

Key Challenges:
- Lacked integration between inventory, sales and accounting management systems
- Unnecessary delays during month-end accounts settlement and closing

Solutions & Services:
- SAP® Business One

Length of Implementation:
- 2.5 months

Key Benefits:
- Improved visibility and internal control
- Month-end closing is completed within three days

Channel Partner:
- Sungeun Information

Database:
- Microsoft SQL Server

Operating System:
- Microsoft Windows Advanced Server 2003

As an importer and distributor, it was critical for Thomas LAPP Cable Korea to ensure business information is smoothly exchanged and shared between its main office in Korea to overseas branch offices. Although the company had an enterprise management infrastructure, it was inefficient as inventory, sales and accounting data were processed on different systems that were not integrated. This caused unnecessary delays during month-end accounts settlement and closing.

> **"SAP Business One has brought great improvements to our internal processes within a short period of time. It is definitely well worth the investment."**
>
> Mr. Ki-Su Sung, Director, Financial Management Team, Thomas LAPP Cable Korea

To address these concerns, Thomas LAPP Cable Korea implemented SAP® Business One to integrate its operations and share information, thereby increasing efficiency and minimising communication errors. For instance, it is able to close its monthly accounts within three days instead of waiting till after the 20th of the following month.

Thomas LAPP Cable Korea's parent company, LAPP Kabel, also welcomed the change as SAP Business One enabled seamless integration with its SAP R/3 platform. This gives senior management in the German headquarters an instant update of its Korean operation and allows them to make strategic decisions that are specific to the business environment in Korea.

PIGEON RUNS SAP.

Forest Products, Furniture & Textiles

Australia / New Zealand

Forest Products, Furniture & Textiles

SUPERIOR PROJECT MANAGEMENT FOR QUADRIC INTERIOR WITH SAP BUSINESS ONE

Quadric Interiors Pty Ltd implemented SAP® Business One and WorkbenchSBO to improve its project management and integrate its workflow processes. The company now enjoys higher efficiency in its project management and greater access to information. This has enabled them to provide an increased level of customer service.

As a successful interiors and facility support contractor, superior project management capability is critical to the operations of Quadric Interiors (Aust) Pty Ltd. On behalf of its clients, Quadric handles a wide variety of responsibilities, ranging from the sourcing of lettable floor space, lease negotiations with potential landlords, management of design and documentation of tenders, and even the preparation of finances and cashflow forecasting.

In order to keep on top of all these tasks and ensure the utmost customer satisfaction, Quadric needed a business solution that would take its project management capabilities to the next level.

"SAP has allowed us to gain more efficient control of existing projects, further empowering the staff. Overall, our operations are much more organised now."

Mr. Gavin Mortlock, Director, Quadric Interiors

Quadric's previous information system had become outdated and was unable to support the company's growing needs and clients' requirements. It could not offer Quadric a centralised platform that could integrate the company's various business processes and workflows. The legacy system was also unable to provide staff with real-time financial and project-based information, resulting in a time-consuming process to retrieve the relevant information each time it was needed.

AT A GLANCE

Website:
- www.quadric.com.au

Key Challenges:
- Old system not capable of growing with the business
- Need to integrate project management data with financials management
- Lack of accessibility to timely quality information for the finance department

Project Objectives:
- Automate the operational side of the business
- Integrate the company's finances with its project management
- Enhance accessibility to information for the finance department

Solutions & Services:
- SAP® Business One WorkbenchSBO

Why SAP Solution:
- Met Quadric's requirements
- Offered customisation flexibility and scalability
- Excellent support
- Commitment of Leverage Technologies, SAP's channel partner

Implementation Highlights:
- Implementation was smooth and on schedule
- Fast user adoption of new interface
- Installation took three months

Key Benefits:
- Better access to financial and project-based information
- More accurate cash flow reporting
- Reduced project over-runs
- Improved management of overall business activity
- Increased customer satisfaction
- Higher level of competitiveness

Channel Partner:
- Leverage Technologies Pty Limited

Database:
- MS SQL Server

Operating System:
- Microsoft Windows

"With all the limitations of the old system, the project managers felt restricted and disempowered in terms of their ability to efficiently manage their projects," says Mr. Gavin Mortlock, Director, Quadric Interiors.

Searching for the Best

With project management and finance as the key areas of its business, the chief criterion that Quadric looked for in its new system was the ability to effectively integrate these two aspects.

After much evaluation, Quadric selected SAP Business One with WorkbenchSBO as its new business management application. As a companion product to SAP Business One, WorkbenchSBO has a variety of modules to provide extensive job costing and project management capability, enhancing the functionality of SAP Business One.

Quadric was also impressed by the deep commitment of Leverage Technologies, SAP's channel partner. Leverage had invested much time and effort in order to gain an intimate understanding of Quadric's business.

As a result, the implementation process took only three months. With excellent guidance and support from Leverage Technologies, Quadric was extremely pleased with the smooth and punctual installation.

Improved Organisation of Operations

Now that the operational side of the business is fully integrated with the finance department, Quadric has seen a marked improvement in its project management capabilities.

Quadric's cash flow reporting is more accurate as a result of the higher visibility of its financial information. Similarly, project over-runs have decreased, leading to a more streamlined and efficient workflow.

"SAP Business One with WorkbenchSBO covered the level of project-based functionality that we required. It is also flexible enough to allow for customisation, and capable of supporting any extra functionality we may need in the future."

Mr. Gavin Mortlock, Director, Quadric Interiors

"SAP has allowed us better access to both financial and project-based information, enabling us to gain more efficient control of existing projects. Staff are also empowered and able to provide integrated information back to finance for invoicing, purchasing commitments and accruals," said Mr. Mortlock.

Given the current success of SAP Business One with WorkbenchSBO, Quadric is now able to offer its clients an improved and superior level of customer service. As the business expands, Mr. Mortlock says that the company will continue to monitor and evaluate the impact of their new system, confident that the SAP implementation will evolve together with it and facilitate future growth.

UNZA RUNS SAP.

Indonesia

Forest Products, Furniture & Textiles

mySAP ERP CULTIVATES REAL-TIME INTELLIGENCE AT SOCFIN INDONESIA

For over 25 years, Socfin Indonesia has been using legacy systems that did not feature strong support for integrated information systems. mySAP™ ERP software has helped Socfin cope with its growth and streamlined its business processes, increasing efficiency and driving better decision-making at the management level.

Socfin Indonesia (Socfin) has a stated mission to be a socially and environmentally responsible low cost producer of oil palm and rubber products. The plantation company has set benchmarks for others in the industry in consistently maintaining high standards in agricultural practices. These high standards have led to a company with 12,000 employees, and revenues that have already reached US$100 million in recent years.

Socfin had been using a custom-built accounting system to run its business, but its rapid growth had begun to cause problems for its technology infrastructure. Reconciling the general ledger and its sub-ledgers, for instance, required a lot of effort and cost.

"Being empowered with real time information means that we can identify inefficiencies, avoid losses and increase productivity. This competitive advantage is enabling us to deliver the best value to our customers."

Mr. Sim Mong Ke, IT Head, Socfin Indonesia

"Our previous systems served us for over 25 years but were not integrated. This prevented visibility, effective data consolidation and decision making," explains Mr. Sim Mong Ke, IT Head of Socfin.

AT A GLANCE

Website:
- www.socfindo.co.id

Key Challenges:
- The previous system could not cope with the company's rapid growth
- Lack of visibility into the business
- Data was not consolidated
- Difficult to reconcile the general ledger and its sub-ledgers

Project Objectives:
- To further fuel the growth of Socfin
- To obtain consistent, accurate information that can allow better visibility and decision making
- To integrate information across the company
- To simplify accounting tasks

Solutions & Services:
- mySAP™ ERP; Finance, Control, Sales and Distribution, Materials Management, Production Planning and Human Capital Management modules were installed

Why SAP Solution:
- SAP is a very strong and reliable brand
- mySAP ERP is world-class, integrated enterprise resource planning software
- mySAP ERP has superior functionality over the competition

Implementation Highlights:
- The implementation took six months and was done for 50 users

Key Benefits:
- Streamlines business processes for operational efficiency
- Timely, accurate and consistent information drives better decision-making
- Accounting functions can now be reconciled easily
- The company can reduce the number of clerical staff
- Solution will grow with Socfin

Socfin decided it wanted a solution that would fit its position as an industry leader. It should provide timely, consistent and accurate information in a secure manner, not just for accounting but also for other departments.

SAP Superior in Functionality

After a thorough evaluation process that took three months, Socfin selected mySAP ERP and ISS Consulting Indonesia as the project implementer.

"SAP was the overall winner as it had clear superiority in functionality compared to the other vendors we looked at," says Mr. Sim. "The initial cost and ongoing maintenance costs were competitive and the track record of successful projects by ISS Consulting Indonesia was also impressive. And of course, SAP is a very strong and reliable brand."

"I am impressed by how rich and detailed the functions of mySAP ERP are when combined with ISS Consulting's in-depth knowledge and expertise in the plantation industry."

Mr. Sim Mong Ke, IT Head, Socfin Indonesia

The implementation, which took six months, included modules like Finance, Control, Sales & Distribution, Materials Management, Production Planning, and Human Capital Management and has proven invaluable for the company.

Simplifying Tasks, Providing Real-time Data

mySAP ERP has streamlined Socfin's business processes, resulting in integrated, consistent data that is immediately available to drive better decision-making for Socfin executives.

"I am impressed by how rich and detailed the functions of mySAP ERP are when combined with ISS Consulting Indonesia's in-depth knowledge and expertise in the plantation industry," he says.

"Being empowered with real time information means that we can identify inefficiencies, avoid losses, and increase productivity. This competitive advantage enables us to deliver the best value to our customers, and we are now a more transparent company."

The integrated system has also allowed Socfin to reduce the number of clerical staff, Mr. Sim adds.

The rich functionality in mySAP ERP has also solved specific productivity problems. Accounting functions such as stores and purchase ledger, accounts payable, as well as sales ledger and accounts receivable are all easily reconciled now.

Socfin has been so pleased with SAP that it plans to introduce more SAP solutions in the long term. "We look forward to exploiting SAP's analytics capability to provide reliable executive information for even better decision making," says Mr. Sim.

BEIJING CAT KING FIXING BUSINESS PROCESSES WITH SAP BUSINESS ONE

Beijing Cat King Co. Ltd. needed to resolve its workflow problems with an integrated business solution. It chose to deploy SAP® Business One, which has streamlined the company's processes and boosted productivity.

AT A GLANCE

Website:
- www.catking.com

Key Challenges:
- Lack of reliable and accurate sales information
- Lack of visibility over inventory levels
- Accounting reports could only be generated at the end of the month

Project Objectives:
- Streamline work processes
- Achieve visibility over inventory and sale status
- Accounting reports can now be generated real-time

Solutions & Services:
- SAP® Business One; financial affairs, production, purchasing, logistics, customer relationship management, human resources, and after-sales services

Why SAP Solution:
- SAP's reputation and expertise
- Used by many Global 500 enterprises
- SAP Business One provides seamless integration
- SAP Business One has been successfully implemented with company's subsidiary

Key Benefits:
- Efficient business processes
- Consistent and precise sales information
- Improved forecast of inventory
- Real-time updates for accounting reports
- CRM data forms basis for future product development

Channel Partner:
- Beijing AVA Technology Co. Ltd.

Database:
- Microsoft SQL Server 2000 Service Pack 3

Hardware:
- HP DL380 G4

Operating System:
- Microsoft Windows 2003 Server

A steel and wooden furniture manufacturer in China, Beijing Cat King Co. Ltd. (Cat King) provides contemporary do-it-yourself (DIY) furniture, including display shelves and solutions from home offices.

Since its conception in 1991, Cat King has experienced rapid growth, building a 20,000-square metre production base and a 10,000-square metre logistics centre. Cat King also has stores in major cities in China, and its products are already exported to Japan, South East Asia, and various European countries.

"It did not take long to decide that SAP would be the ideal partner. We were sure that the implementation of SAP Business One would help us overcome our business challenges."

Mr. Zou Lingjiang, Assistant Managing Director, Beijing Cat King Co. Ltd.

With its continued expansion, the large increase in data and production material that needed to be processed, coupled with a lack of an integrated solution, was causing a business bottleneck. Cat King management realised that it could not access reliable and accurate sales information to make business-critical decisions. The management was also not able to ascertain sales status of specific products. In addition, Cat King felt that it needed to be able to study the behaviour of its customer markets so that the data could be used for future product development.

There were challenges on the department level as well. The production department lacked visibility over its own processes because it was hard to obtain data on inventory levels, while the finance department had to wait until the end of the month to generate a complete report of its accounts.

"We needed to optimise internal management, perfect external sales procedures, and bring the two together in a single system," says Mr. Zou Lingjiang, Assistant Managing Director, Cat King.

"Besides enhancing overall efficiency, SAP Business One is very user friendly. As a result, staff productivity has improved tremendously."

Mr. Zou Lingjiang, Assistant Managing Director, Beijing Cat King Co. Ltd.

SAP Impresses with Its Know-how

During its search for a suitable business solution, Cat King was impressed by SAP's reputation, expertise and that 80% of the Global 500 enterprises are its customers.

An added attraction was that SAP has already been used by a Cat King subsidiary. SAP Business One has been successfully implemented at Beijing White Collar Cat King Furniture Co. Ltd, boosting the management's confidence with SAP.

The management chose SAP Business One as they felt it would be easy to use and able to automate the company's financial affairs, logistics, and sales processes as they required. AVA Technology Co. Ltd. was brought in as the implementation partner.

"It did not take long to decide that SAP would be the ideal partner. We were sure that the implementation of SAP Business One would help us overcome our business challenges," says Mr. Zou.

It was important to ensure that Cat King's personnel were able to accept SAP Business One as a tool that could optimise management of internal procedures and increase overall efficiency. To get staff accustomed to SAP Business One before it went live, every opportunity was taken to conduct development training for Cat King employees.

Cat King established a two-step planning and implementation phase that involved training, meeting with personnel, communicating with departmental managers, and managerial level conferences.

Building Clearer and Real-time Views

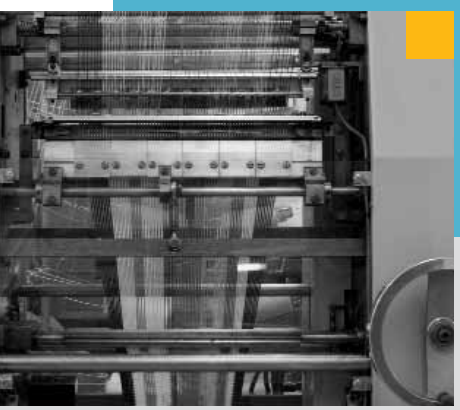
With the integration of its business processes, the management is now able to access consistent and precise sales information for its decision making. For example, Cat King has gained instant access to sales data of specific products because the data system is updated as soon as a store makes a sale.

"In the past, the management was unable to find a way out of our work-flow problem, but now the issue has been well resolved," says Mr. Zou.

And with customer relationship management (CRM), the organisation can study the records of customer requirements and use the data as a basis for future product development.

The successful implementation of SAP Business One also improved the effectiveness of Cat King's production and financial affairs departments.

As for the financial affairs department, the one-month period required to generate its accounts has been reduced to real time updates while the production department has been able to quickly attain data on stock status and security. With a purchase prediction system from SAP Business One, the production department can improve its forecast of purchase orders.



SUPER SPINNING MILLS MAKES A STAR PERFORMANCE WITH SAP SOLUTION

To achieve its vision of becoming a total textile solutions company, Super Spinning Mills has grown organically and acquired new companies that are aligned with its business goals. It chose mySAP™ ERP to keep up with the ever-changing needs of the company.

AT A GLANCE

Website:
- www.saraelgi.com

Key Challenges:
- IT systems were unable to adapt to the needs of the company as it expands organically and as it acquires new businesses
- The newly acquired companies were operating on disparate systems, making it difficult to manage and exchange information

Project Objectives:
- To become a total textile solutions company
- To consolidate data on an integrated IT system
- To manage stock more efficiently
- To explore and exploit new growth avenues

Solutions & Services:
- mySAP™ ERP

Why SAP Solution:
- Ability to manage the company's diverse business portfolio and fulfill its business needs
- Enable the company to identify growth opportunities

Implementation Highlights:
- Implemented across 11 locations

Key Benefits:
- Greater efficiency in stock management
- Reduction in procurement lead time

Channel Partner:
- OBT Global Pvt. Ltd.

Hardware:
- IMB P Series, P550, IBM SAN storage

Operating System:
- IBM AIX

Super Spinning Mills has grown from strength to strength since its establishment in 1962. Based in Coimbatore, India, the company is a composite textile firm with spinning, weaving and processing facilities under its fold. It originally started out with a spinning capacity of just 12,000 spindles.

The company has gone beyond its business mainstay, as it now has a stake in the knitted garments business and is involved in cotton production and research in the country. On the research front, for instance, Super Spinning Mills has tied up with the Tamil Nadu Agricultural University to develop a new strain of cotton.

Growth is not just taking place within Super Spinning Mills. Its holding company, Sara Elgi, has acquired a spinning plant in Turkey recently and is expanding its footprint in India as well. It has factories in 11 locations and eight sales depots. The group's research arm, Sara R&D, is also working closely with a team of professors and agriculturists.

"We were looking for a solution that would cover all our needs, and SAP came up tops."

Mr. N Gunasekaran, Senior Manager-Corporate IS, Super Spinning Mills

Although this series of mergers and acquisitions (M&A) as well as partnerships reinforces Super Spinning Mills' leadership position in the market, management does not

intend to stop there. To sustain its pole position, the company needs a strong internal IT framework to manage the growth, widening scope of operations and a rapidly changing market.

"In order for the company to exploit the emerging opportunities to their fullest, it was imperative to evaluate our existing IT systems and see if they could support the company's vision," says Mr. N Gunasekaran, Senior Manager-Corporate IS, Super Spinning Mills.

Furthermore, the legacy systems were straining under the M&A activities. "They were neither equipped to cope with the changes at hand nor with our goal of becoming a total textile solutions company," added Mr. Gunasekaran.

There were delays in data transmission and there were no checks in place to weed out information inaccuracies either. Super Spinning Mills also found it difficult to manage the newly acquired companies as they operated on disparate systems that made integration difficult.

Finally, when the company took over Kakatiya Textiles in India and a plant in Turkey, management decided to build a common, homogeneous platform for the entire company. And in April 2005, the company started its process of evaluation and selection of a new IT system.

SAP – The STAR Solution

One of the key requirements for the new IT system was flexibility, as it was critical for the solution to work across diverse segments and accommodate different production parameters. Businesses operating under Super Spinning Mills also had a high degree of interdependencies that the system needed to incorporate.

To execute this "Sara Elgi Textile Application and Rejuvenation" (STAR) project, a seven-member team was set up to evaluate and select the solutions in the market in great detail. They assessed the solutions based on compatibility, flexibility and their ability to accommodate rapid business growth. A short list was then drawn up and the senior management, after a detailed briefing from the team, decided to go for mySAP™ ERP.

Once SAP was chosen, the internal team and the implementation partner came up with a list of challenges for the new system. The team also framed the guidelines that the company would need to follow once mySAP ERP was implemented. The objective was to make it clear at the beginning that the STAR project would be a success only if the processes were followed in a disciplined manner.

"In order for the company to exploit the emerging opportunities to their fullest, it was imperative to evaluate our existing IT systems and see if they could support the company's vision."

Mr. N Gunasekaran, Senior Manager-Corporate IS, Super Spinning Mills

Project Goals

The biggest challenge of the STAR project initially was to ensure that there was no duplication of tasks and data. It was also important to make sure that accurate information and analysis were readily available. Unless this was done, it would be impossible for the company to identify and explore growth projects.

The textiles business has seen some dramatic changes in production methods and marketing systems over the past few years.

With mySAP ERP, the company was looking forward to keeping up with the dynamic changes in the industry and exacting internal projects to achieve its goals. It was therefore critical to ensure success of STAR project.

Reaping the Benefits

mySAP ERP went live in April 2006 and while it is still too early to measure all the benefits, the SAP solution has definitely made a difference, says Mr. Gunasekaran.

After the implementation, Super Spinning Mills has seen a huge improvement in the stock management functions. "SAP has given us an accurate overview of available stock throughout the textile manufacturing process," he adds.

To ensure that there is no mismatch in employee expectation with regards to the SAP solution, the company organised

extended training sessions for them. Change management methods were also employed to familiarise staff with the new way of operating and get them more involved in the entire transformation process.

These exercises will stand in good stead in the coming months as the company integrates many more of its operations on the mySAP ERP platform. More benefits are in the horizon once new functions go live on the SAP platform.

"With SAP, we are able to manage our inventory more cost efficiently and improve our stock planning process. We are also be able to isolate the growth triggers in the industry. This will allow us to take advantage of market opportunities," says Mr. Gunasekaran.

Staff's productivity will improve as a result of using mySAP ERP as well. By streamlining the procurement process on the SAP platform, it will reduce the time it takes for staff to manage and communicate with the 4,000 contract farmers in its supplier database. In addition, the new IT infrastructure will allow for effective dissemination of knowledge and improve the cotton tracking mechanism that the company already has.

Physical distance will no longer be a barrier as the SAP solution will be able to help manage the company's supply chain across 11 different locations. And through the centralised SAP platform, Super Spinning Mills will be able to connect and exchange information with its production centres and farmers more efficiently. This will reduce the procurement lead time and eliminate wastages from the entire process.

"With SAP, we will be able to manage our inventory more cost efficiently and improve our stock planning process. We will also be able to isolate the growth triggers in the industry. This will allow us to take advantage of market opportunities."

Mr. N Gunasekaran, Senior Manager-Corporate IS, Super Spinning Mills

Once all the processes are streamlined and integrated on the SAP platform, Super Spinning Mills is looking to enhance data management and perform data analysis to improve the decision-making process.

"SAP will play a big role in both these areas. We will then be in a better position to focus and consolidate our strengths, and achieve maximum profits from our current operations," says Mr. Gunasekaran.

CRYSTAL GROUP RUNS SAP

SAP SOLUTION CREATES COMPETITIVE EDGE FOR TRISULA CORPORATION

Trisula Corporation required a powerful solution to help it achieve a competitive edge globally. The company has flourished with mySAP™ ERP. The integrated system gives better overall visibility and allows Trisula to access critical data and make informed decisions with ease.

AT A GLANCE

Website:
- www.trisula.com

Key Challenges:
- Volatile business environment requires a lot of operational flexibility
- The company relied on programs that did not automate large parts of business operations
- Lack of integration between departments meant that the critical data that could help the company respond quickly to changes was missing

Project Objectives:
- To achieve operational excellence comparable to that found in successful global companies
- To introduce automation throughout the company
- To integrate departmental data across all ranks for better visibility, and to make better decisions
- To add value to customers

Solutions & Services:
- mySAP™ ERP; Sales and Distribution, Materials Management, Financial Accounting and Controlling Modules were installed in earlier phases; Production Planning module in current phase

Why SAP Solution:
- SAP is a reliable, proven brand
- SAP is the undisputed leader in business software solutions
- SAP has years of experience
- SAP has a reliable support system in Indonesia

Key Benefits:
- Improved the organisation's operational efficiency
- Makes the company more flexible
- Provided board of directors with visibility across organisation, resulting in better decisions
- Easy access to up-to-date critical data, such as order status and stock information
- Improved inventory control reduces problems like overstocking
- Empowers marketing arm to improve customer service significantly
- Allows purchasing department to consolidate requirements of all units, resulting in great savings
- Motivates employees to perform better

Channel Partner:
- ISS Consulting Indonesia

Existing Environment:
- Excel spreadsheets

Established in 1968, Trisula Corporation has grown steadily to become Indonesia's premier textile and garments manufacturer for the national and international markets. Today the company stands at the forefront of the textile industry with 20 subsidiaries in eight countries and about 5,000 employees. It produces over 30 million yards of suiting fabric per annum, and manufactures and markets 4.8 million fashion garments annually. Such large business volumes are only possible with a world-class business solution.

"We felt secure with SAP, as it is the undisputed leader in business software solutions with years of experience and with a reliable support system in Indonesia."

Mr. Marcus Brotoatmodjo, IT Head, Trisula Corporation

Before implementing mySAP ERP, the company did not have standard business processes in place. Trisula ran its business on programs which required a lot of effort to maintain. Data from different departments was not consolidated, so management could not get a complete, real-time overview of the organisation while staff had to enter the same data several times into various systems. Trisula found that it could not track its inventory properly, nor update itself with the latest market trends.

The rapid growth of the company and increasingly fierce global competition prompted Trisula to implement a more powerful solution–one that would help it achieve operational excellence and improve customer service in order to keep up with other successful global companies.

Advancing With SAP

"SAP was our natural choice, even though there were no local references in the textile industry then," Mr. Marcus Brotoatmodjo, IT Head, Trisula Corporation, explains. "We felt secure with SAP, as it is the undisputed leader in business software solutions. It has years of experience and a reliable support system in Indonesia."

"mySAP ERP has enabled Trisula to gain flexibility and achieve optimum cost-efficiency and performance, which adds up to the company's competitiveness, accelerated business growth and sustainability."

Mr. Marcus Brotoatmodjo, IT Head, Trisula Corporation

Phase I of the project, deployed for 52 users, included the Sales and Distribution, Materials Management, Financial Accounting and Controlling Modules. The implementation was done in Trisula's textile companies and at one of its garment companies. In Phase II, mySAP ERP was implemented by SAP's certified implementation partner, ISS Consulting Indonesia, at Trisula's marketing companies.

More Efficient Marketing, Purchasing

With mySAP ERP, Trisula can now add value to its customers and gain competitive edge. According to Mr. Marcus Brotoatmodjo, implementing the solution has enabled Trisula to gain a great deal more flexibility.

"The benefits of implementing mySAP ERP go far beyond gaining cost-efficiency," he says. "mySAP ERP has enabled Trisula to gain flexibility and achieve optimum cost-efficiency and performance, which adds up to the company's competitiveness, accelerated business growth and sustainability."

On an executive level, mySAP ERP has provided the board of directors with visibility across the organisation, enabling better decision making and quicker responses to changes in the marketplace.

"Our marketing arm now has easy access to critical data, such as order status, and stock information. With mySAP ERP, the data is highly accurate and available in real-time, which empowers us to improve customer service quite significantly," Mr. Brotoatmodjo says.

mySAP ERP has also improved purchasing efficiency. "The purchasing department gains better control and is able to consolidate the requirements of all units, enabling it to buy in bulk and thus realise great savings," says Mr. Marcus Brotoatmodjo. Problems such as overstock were eliminated with the help of mySAP ERP, greatly improving Trisula's inventory control.

The solution has also proved an excellent motivation tool, since individual employee contributions can be clearly viewed by the management.

Trisula's positive experience with mySAP ERP has encouraged it to expand the use of SAP. Phase III, also to be implemented by ISS Consulting Indonesia, adds the Production Planning module.

SAP GIVES HENRY DESIGNCENTRE A PROCESS MAKEOVER

Established in 1960, Henry Designcentre is a premier office interior solutions provider in Singapore. It employs 22 staff and supplies leading-edge, innovative design and interior planning solutions. SAP® Business One was implemented within 1 month.

AT A GLANCE

Key Challenges:
- Low barrier to entry erodes market share and profit margins
- Previous ERP system was inefficient
- Unable to track and retrieve sales and inventory datain real-time

Solutions & Services:
- SAP® Business One

Length of Implementation:
- 1 month

Key Benefits:
- Streamlined processes removed operational redundancies
- Improved transparency across different departments
- Financial reporting function improves financial performance and avoids cash-flow bottlenecks

Channel Partner:
- The World Management

A low barrier to entry was a main source of worry for Henry Designcentre. Not only did the company compete with young start-ups in a price-sensitive market, it also faced stiff competition from companies in China. This affected the company's profit margins and with high overheads to manage, it had to find ways to maximise efficiency and reduce operating costs.

> **"We looked at various systems and we know no system will fit us 100 percent. But SAP Business One met at least 90 percent of our requirements."**
>
> Mr. Paul Yong, Director, Henry Designcentre

To compound matters, its legacy system was difficult to maintain, and could not deliver up-to-date sales and inventory data in real-time. To remain competitive and improve business performance, Henry Designcentre replaced the 10-year-old system with SAP Business One. The new solution fulfilled its operational needs by integrating the finance, sales and logistics departments together.

Henry Designcentre is particularly pleased by how its management can now do accurate and up-to-the-minute financial reporting. This allows the company to gain crucial financial insights that improve overall performance and avoid cash-flow bottlenecks. The solution has also streamlined its processes, removed redundancies, and enabled staff to conduct sales and customer analysis – something they were unable to do in the past.

JAVA JATI BOOSTS CUSTOMER RELATIONS WITH SAP BUSINESS ONE

Established in 1993, Java Jati supplies top quality furniture and interior décor to markets in Indonesia, US, and Europe. The company regards customer satisfaction as its top priority and seeks to deliver the highest level of service.

AT A GLANCE

Key Challenge:
- To replace a legacy system that was not integrated and resulted in data inaccuracies

Solutions & Services:
- SAP® Business One

No. of Users:
- 19

Length of Implementation:
- 6 months

Key Benefit:
- Improve operational efficiency and customer satisfaction

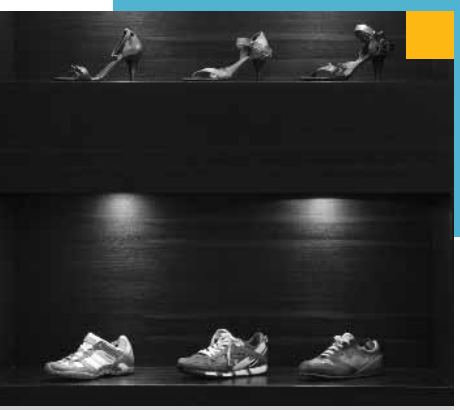
Channel Partner:
- Berlian Sistem Informasi

Java Jati, a specialised manufacturer and exporter of furniture and interior products to local markets and abroad, was experiencing steady growth. In addition, the company was eager to penetrate smaller countries in Europe and offer a wider product range to customers.

However, Java Jati's legacy IT system was unable to support its aggressive growth plans. The marketing and production departments, for instance, were not integrated resulting in data inaccuracies. This delayed delivery times, causing customer complaints, which went against Java Jati's corporate ambition of providing 100% customer satisfaction.

> **"SAP Business One will help us sharpen visibility, enhance our competitiveness, and enable us to fulfill our vision to become a truly customer-oriented company."**
>
> Mr. Farry Tandean, Director, Java Jati

Java Jati chose SAP® Business One to gain better control over its internal processes, increase efficiency across the board, and enhance customer service. The company was well acquainted with the SAP brand but it was only after an in-depth comparison with other similar solutions in the market that the management was convinced that SAP Business One provided the best value for money. After the implementation, Java Jati has enjoyed better control over its internal processes, sharper operational visibility and improved response time to its customers.



KLK INCREASES INFORMATION TRANSPARENCY WITH SAP

Kuala Lumpur Kepong (KLK) is a Malaysian multinational whose business spans the plantation, manufacturing, retailing and property markets. SAP® Business One was chosen to increase information transparency and implementation time took only 15 days.

AT A GLANCE

Key Challenge:
- Need for managers to easily extract the right information at the right time without relying on a third party

Solutions & Services:
- SAP® Business One

No. of Users:
- 5

Length of Implementation:
- 15 days

Key Benefit:
- Ability to generate reports easily based on parameters set by the management

Channel Partner:
- Selatan Technology

Managers at Batu Kawan Hevea Products, a subsidiary of Kuala Lumpur Kepong (KLK), typically had to go to their IT staff to generate various reports to help them make business decisions. As this was a time-consuming process, the numbers were obsolete by the time the reports were ready.

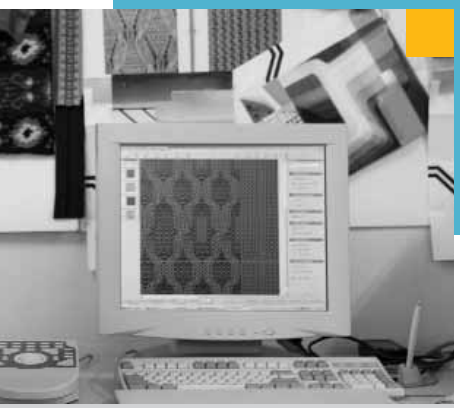
To resolve that, KLK needed a solution that could give its subsidiary the right information at the right time without having to deal with a complex system or rely on a third party.

> **"In some ERP implementations, we spent almost six months just to come up with variations of reports for the management. But in SAP Business One, we spent just five days."**
>
> Mr. Albert Koay, Group IT General Manager, Kuala Lumpur Kepong

The company found that solution in SAP Business One. With its Drag and Relate reporting feature, managers are free to generate reports based on relationships and conditions created on the fly, using real-time data. In addition, the software has a graphical user interface that is easy to use, resulting in a short learning curve.

SAP Business One's software development kit also caught KLK's attention, as it allows them to conduct in-house development and build add-on modules that work seamlessly with the existing ones.

Another plus was the customer service module, which enables the company to understand clients based on their transaction history and prepare a proposal based on their needs.



LENZING FIBER (SHANGHAI) WEAVES SUCCESS WITH SAP BUSINESS ONE

Lenzing Fiber (Shanghai) Co Ltd was established in December 2003, and is a 100 percent subsidiary of Lenzing Group in Shanghai, to expand the Group's presence in China. With 4,500 employees, the Group is a leading manufacturer of cellulose fibres for textile and non-woven applications.

AT A GLANCE

Solutions & Services:
- SAP® Business One

No. of Users:
- 3

Length of Implementation:
- 1 month

Channel Partner:
- Beijing United Harmony Co., Ltd.

Knowing accurate bale moisture levels and weight, importing and printing packing lists, as well as calculating and paying sales commissions on time were challenges for Lenzing Fiber (Shanghai) Co Ltd, a subsidiary of Lenzing Group based in Austria.

> **"We are managing our entire business process from purchasing, warehousing and importing to selling and all related financial and tax issues with SAP Business One. In a short time, the solution has become indispensable for us."**
>
> Mr. Ernst Sandrieser, General Manager, Lenzing Fiber (Shanghai) Co Ltd

Lenzing Fiber implemented SAP® Business One in one month to rapidly manage its sales-centric business processes. The flexible and simple applications in the solution enabled Lenzing Fiber to achieve efficiencies in business management.

Lenzing Fiber could also integrate its data company-wide with the SAP's Customer Relationship Management solution. In addition, the scalable SAP Business One allows for other SAP's enterprise resource planning components to be included along with Lenzing Fiber's expansion.

Healthcare

Australia / New Zealand

Healthcare

DIAMED FINDS GLOBAL PRESCRIPTION IN SAP

DiaMed Australia is rapidly expanding and required a solution that could address the international business demands. By implementing SAP® Business One, DiaMed now has integrated business processes, consolidated data for decision-making, and a business which operates smoothly and competitively in a global environment.

The fast-moving world of pharmaceuticals research requires that companies invest in business solutions that allow business to be conducted around the world. Mid-sized DiaMed Australia Pty Ltd (DiaMed), which specialises in research and development, production and worldwide services for laboratory diagnostic products, is no exception. In March 2006, the 300-man company realised that it would have to upgrade its business solution to remain competitive and keep up with changes in medical regulations.

"SAP Business One has the flexibility to meet our unique industry requirements and our international expansion plans."

Mr. Geoff Nicol, Director, DiaMed Australia

DiaMed's existing application, Sage Line100, could neither handle the increased business volumes nor support the type of tracking and reporting required by relatively new medical regulations. Business processes were not integrated, especially across the key sales and manufacturing processes, so data could not be shared easily across departments or office branches. Although DiaMed had a financial management system, delays in accounting were common as data still had to be obtained from other departments. Invoicing with Australia's National Blood Authority (NBA), for example, would take DiaMed 26 hours per month.

AT A GLANCE

Website:
- www.diamed.com

Key Challenges:
- Existing software could not integrate the key business processes within DiaMed
- DiaMed have plans to expand the business internationally, however the existing software could not handle the global business requirements
- A need to improve the company's competitiveness and assist management in decision making

Project Objectives:
- To integrate business processes and data across the enterprise
- To obtain data that would enable effective decision-making
- Required software that would support international expansion plans and new industry regulations

Solutions & Services:
- SAP® Business One, Sales, Purchasing, Manufacturing, CRM, Financials and Service modules

Why SAP Solution:
- An integrated business management solution for all business processes
- SAP platform supports global implementations
- SAP Business One's flexibility to customise the solution for DiaMed's unique industry requirements

Implementation Highlights:
- Reduced the invoicing process from 26 hours to just 7 minutes

Key Benefits:
- Critical business information is centrally managed and available throughout the application
- Information is immediately available for making informed decisions
- The key business processes are integrated, from accounting through to manufacturing
- Business processes are now compliant with international standards and medical regulatory requirements
- The time spent on essential business processes has been shortened dramatically

Channel Partner:
- Intacct Business Consulting Pty Ltd

Database:
- SQL Server

Hardware:
- Intel/Microsoft

Operating System:
- Microsoft Windows XP

Global Support a Must

"We needed to replace our redundant application with a one-stop solution that could help us manage the business better," says Mr. Geoff Nicol, Director, DiaMed Australia. "We wanted software that could also assist us in obtaining Therapeutic Goods Accreditation (TGA) and conform to other medical regulatory requirements."

The company turned to SAP Business One as their ideal integrated business solution for global and local businesses. The flexibility of SAP Business One's development environment to meet DiaMed's specific industry requirements was the critical decision factor.

"We plan to expand into other countries and SAP Business One has the flexibility to meet our global business requirements," Mr. Nicol said.

The implementation project involved the Sales, Purchasing, Manufacturing, Customer Relationship Management (CRM), Financials and Service functionality in SAP Business One, with the design and implementation by SAP Business One partner Intacct Business Consulting Pty Ltd. Intacct was also tasked with developing an enhancement to SAP Business One to manage the unique invoicing requirements of the National Blood Authority (NBA).

Shorter Turnaround Times

SAP Business One began delivering significant returns for DiaMed within the first month after going live in July 2006. The solution has integrated manufacturing processes with other business functions, and streamlined workflow so that key business data is automatically consolidated and made available in real-time for decision-making across all departments. The NBA invoicing process, for example, takes just seven minutes per month with SAP Business One as a result. Business processes are also more transparent, making industry accreditation a breeze.

"Our many sites around the country can now all access the centralised data at any time, making decisions based on real data much easier."

Mr. Geoff Nicol, Director, DiaMed Australia

"Our many sites around the country can now all access the centralised data at any time, making decisions based on real data much easier," adds Mr. Nicol.

Going international in line with DiaMed's expansion strategy is the next step. DiaMed intends to roll out SAP Business One to multiple countries in subsequent phases.

GENERAL SANTOS DOCTORS' HOSPITAL CHOOSES SAP AS ITS PARTNER-IN-GROWTH

Philippines-based healthcare provider, General Santos Doctors' Hospital, selects SAP® Business One as its answer for future growth.

AT A GLANCE

Key Challenge:
- To remain competitive and be more proactive in finding growth opportunities

Solutions & Services:
- SAP® Business One

Key Benefit:
- Better control over the organisation as a whole

Channel Partner:
- Magnus Consulting

As the leading healthcare provider in General Santos City, Philippines, General Santos Doctors' Hospital (GSDH) shoulders a heavy responsibility to ensure that its internal operations and technology are up-to-date. To remain competitive in the healthcare industry, however, the onus is on GSDH to move past the inertia of simply reacting to social changes and be more proactive in finding growth opportunities.

To achieve these corporate objectives, GSDH has chosen to implement SAP Business One to improve its internal operating efficiencies, and obtain a bird's eye view of its operation. With SAP Business One, the management will be able to obtain timely and accurate data to effectively evaluate the hospital's operations.

> **"SAP Business One not only gives us timely and accurate data to effectively evaluate our organization, but it also allows us to forecast more accurately, thereby giving us more control on where we want our business to go."**
>
> Mr. Mark Maduramente, Finance Officer, General Santos Doctors' Hospital

The provision of timely and accurate information also goes a long way in GSDH's strategic corporate planning and policies. This in turn gives the hospital management better control over its business processes to position itself best for growth. Ultimately, it will reduce cost of business operations, and enhance business efficiency and quality of performance.

High Tech & Electronics

Hong Kong

High Tech & Electronics

SAP SOLUTIONS HELPS ACE PLASTICS BUILD A STRONG FOUNDATION FOR ITS CONTINUOUS GROWTH

Ace Plastics, a wholly-owned subsidiary of one of Hong Kong's largest tooling manufacturers, chose mySAP™ ERP to achieve smooth operation of its business processes.

To stay competitive and achieve its ambitious business goals, Ace Plastics Co. Limited required a sophisticated and reliable ERP system to not only optimise its operational processes, but also provide business insights for strategy development and timely decision-making.

"SAP has revitalised our entire production process and enabled real-time management, so we develop better business strategies in a timely and effective manner. It's really a decisive factor in achieving our ambitious goals, not only for the time being, but also in the long term."

Mr. Nelson Fu, General Manager, Ace Plastics Co. Limited

SAP solutions take care of all these issues, from production, inventory management, sales and marketing activities to financial reporting, boosting operational efficiency and enhancing managerial control.

Manage Chaos To Enhance Competitiveness

Ace Plastics, a wholly-owned subsidiary of one of Hong Kong's largest tooling manufacturers – Ace Mold Company Limited – is focused on producing plastics injection tools, molding and secondary operations for five product categories, namely Consumer Products, Connectors and Switches, Cosmetics and Packaging and Industrial Products.

AT A GLANCE

Website:
- www.acemold.com

Key Challenges:
- Improve cost and business segments analysis to develop growth strategies
- Increase financial visibility; reflect timely and accurate financial data and budget control
- Enhance production planning and management; enable Just in Time (JIT) delivery and effective inventory control
- Achieve real-time management across different departments

Solutions & Services:
- Qualified mySAP™ All-in-One partner solution

Implementation Highlights:
- Fast implementation in just 9 months
- Thorough education provided for all departments, enabling excellent interdepartmental co-operation and support

Key Benefits:
- Improved financial reporting efficiency by 70%, providing an up-to-date, crystal-clear picture of the company's financial status
- Comprehensive and accurate cost analysis facilitates intelligent and fast decision-making
- Integrated business processes and real-time information flow enables better production planning and operational efficiency
- Inventory control significantly improved, with purchasing lead-time reduced by 50%
- Improved inter departmental collaboration and accountability

Channel Partner:
- MagicPlus Solutions Ltd.
- SAP Consulting

Existing Environment:
- ERP System

Hardware:
- Dell Server

Operating System:
- Microsoft Windows Server and SQL Server

The group has achieved sustained growth in the past decade and now operates three manufacturing plants in Shenzhen and Shanghai, which combined offer more than 400,000 square feet of manufacturing space, serving customers in both southern and northern China, Europe, and North America.

In 2004, Ace Plastics and Ace Mold recorded a combined sales turnover of US$35 million. The two companies currently have over 1,800 employees in China, the United States, and England.

As the business has grown, its operations have exponentially increased, creating complex management systems and inefficient production processes. Under these circumstances, a systematic ERP system was crucial for Ace to achieve smooth operations.

Before moving to SAP, Ace Plastics had deployed an ERP system which was creating serious problems for the company. "The unqualified system only offered single functionality without real-time information updates. Its data accuracy was extremely bad, to the point that we were recording negative stock levels. Its limited financial functions led to inaccurate reporting and heavy manual accounting work-loads," explained Mr. Nelson Fu, General Manager, Ace Plastics Co. Limited.

"We wanted an ERP system that could provide an integrated platform for real-time information recording, updates and consolidation; a system that could automate our entire business process with high efficiency and manageability," Mr. Fu continued. "To support our aggressive sales target – a 60% increase in 2005 alone – the system would have to play a mission-critical role in generating profit-driven business strategies."

Switching to the Most Reliable Solution – SAP

After undergoing such a painful experience with its first ERP system, Ace decided on a thorough evaluation process of the world's leading ERP software provider – SAP.

"In the evaluation process, we found that the SAP solution provided feature-rich, highly flexible functionalities that addressed all our business needs. And the best advantage was that no customisation was required. This greatly helped us minimise the cost and time involved in implementation," said Mr. Fu.

With more than 30 years experience implementing ERP systems for different kinds of industries, SAP is able to draw upon best practices for a wide range of industries, enabling diverse solutions that cover all areas of a supply chain.

"SAP is the most famous ERP system in the world. We chose SAP because we wanted to run the world's best-in-class, most stable and reliable platform, tailored for our industry and scalable enough to cope with our future development."

Mr. Nelson Fu, General Manager, Ace Plastics Co. Limited

"There are numerous reasons we chose SAP. Apart from its functionalities meeting all of our requirements, its accounting and financial reporting are renowned in the market. Its trustworthy and high-quality reports provide excellent corporate governance that helps us gain wide acceptance from customers, the public and government," added Nelson.

Complete Blueprint for a Hassle-Free Implementation

In its previous ERP implementation process, Ace had a very bad experience using a partner with no industry-specific project experience. This ill-planned and confusing implementation resulted in Ace suffering a complex process of system customisation, inconsistent data migration and data error. Eventually, after a delay of one year, only a part of the system was able to go live and the entire project was considerably over budget.

So when Ace started its ERP implementation in May 2004, it highly appreciated SAP's comprehensive implementation plan and professional methodology.

"In the planning stage, we worked seamlessly with SAP consultants to finalise a complete blueprint for our deployment. SAP consultants were very familiar with our industry. Their expertise and SAP's best practices, coupled with the industry knowledge of SAP's solution partner MagicPlus Solutions Ltd. gave us the confidence to build a state-of-the-art ERP infrastructure which perfectly matches our business needs."

Mr. Nelson Fu, General Manager, Ace Plastics Co. Limited

The deployment of the new ERP system involved all departments, including sales, engineering, production, purchasing, finance and management. Besides a well-organised implementation strategy, a thorough education program was also conducted with all department heads prior to implementation to help them better understand the new system's key benefits.

Ace implemented a variety of SAP modules, including Sales and Distribution (SD), Material Management (MM), Production Planning (PP), Finance and Controlling (FICO) to increase its corporate efficiency and transparency. Following a hassle-free implementation process, which comprised four phases and lasted some 12 months, Ace is now able to enjoy a robust, reliable and scalable environment that can fully support its business both today and in the future.

Unprecedented Benefits for a New Way of Working

Ace's implementation of SAP was a huge success, with immediate benefits as soon as the new system went live in early January 2005.

"Although the system has only been in operation for a few months, we immediately experienced its power," said Mr. Fu. "The most apparent improvement was the time needed for generating month-end financial reports, which was slashed by 70%, from three months to just 20 days."

The newly integrated solution also provides up-to-the-minute financial data, so Ace can now make timely and accurate cost analysis for each product and find out which areas have higher profit margin, then focus its resources on those areas. "These types of business insights provide us precious information for developing appropriate marketing and sales strategies, which greatly enhances our competitive advantages," adds Mr. Fu.

Production planning is also essential for Ace to stay competitive. With SAP solution, material planning, production scheduling and inventory management have all been improved, and the lead-time for issuing purchase orders has shortened by 50%. Project delivery time has also

been greatly enhanced through successfully achieving JIT delivery with no negative stock recorded.

Improvement in collaboration among departments and internal control is another impressive result. "The real-time management and integrated business flow enables departments to speak the same language using fresh and accurate information," said Mr. Fu.

"We were very impressed with the smooth implementation. It gave great confidence to our management and operational departments."

Mr. Nelson Fu, General Manager, Ace Plastics Co. Limited

The new ERP system also records all daily activities and workflows. This means it's very convenient for departments to trace and fix problems in the event of an error. This improved accountability facilitates better internal monitoring and has resulted in more efficient control of day-to-day operations.

Planning for the Future

The SAP system is a key enabler of Ace's future business development. Already, Ace relies heavily on the system to reflect not only the financial situation of the company, but also in determining fast and intelligent business strategies that drive the company's long-term growth.

In terms of system expansion, Ace now plans to enhance its warehouse management and production floor management, quality management and data management. Moreover, the successful implementation of its SAP solution has also led the company to consider deploying SAP in two other locations.

"The result has proved that choosing SAP was the right decision. It's really just like driving a Ferrari! With SAP's powerful and extraordinary performance, we are finally able to plan for continuous improvement in the months and years ahead", said Mr. Fu.

Singapore

High Tech & Electronics

NANOTECHNOLOGY MANUFACTURING IMPLEMENTS SAP BUSINESS ONE TO ENSURE DATA INTEGRITY AND ACCURACY

NanoTechnology Manufacturing needed an enterprise management system that would provide customers with detailed progress reports of their projects, and ensure that the integrity of its research and data were not compromised. The ultra-precision engineering firm found what it was looking for in SAP® Business One.

In ultra-precision engineering, "within a hair's breadth" is just not good enough. In fact, the technical ability to manufacture intricate components with dimensional accuracies of up to 0.0001 mm is precisely why local engineering firm NanoTechnology Manufacturing Pte Ltd (NanoTechnology Manufacturing) is swiftly emerging as a leader in Singapore's ultra-precision tooling industry.

"NanoTechnology as a company already has the competitive edge. But SAP Business One allows us to focus on our core competency without having to worry whether the information generated by the system is accurate. This definitely strengthens our strategic position in the market."

Mr. Yee Keng Yip, General Manager, NanoTechnology Manufacturing

NanoTechnology Manufacturing offers one-stop solutions and services in the design, development and manufacture of ultra-precision molds, injection molding, as well as the assembly of complex products. The company's diverse clientele comes mainly from the biomedical, photonics, optics, and contact lens industries.

Reflecting the progressive nature of its industry, the company's state-of-the-art facility is custom-designed and outfitted with the latest high-precision tooling machinery, and integrated computer-aided design (CAD) and computer-aided manufacturing (CAM) systems so as

AT A GLANCE

Website:
- www.nanotechnology.com.sg

Key Challenges:
- Need to provide customers with detailed progress reports and ensure that the integrity of their research and data are not compromised
- Time-consuming, manual-based accounting and purchasing system

Project Objectives:
- Improve NanoTechnology's reporting process and intellectual property management
- Automate and manage the company's financial, purchasing and production processes via an integrated real-time enterprise system

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP is well-known in the precision-engineering industry for its ability to ensure data transparency and data integrity

Implementation Highlights:
- Implemented within two months

Key Benefits:
- Improved data accuracy and integrity
- Reduced the time it takes to collate and generate reports for both clients and internal planning purposes
- Enhanced vendor management and bargaining power

Channel Partner:
- ObTech Asia Pacific

to fulfill its clients' stringent project requirements during each development stage.

SAP Fulfills Precise Needs

As NanoTechnology Manufacturing is the initial point-of-contact for many nascent technologies and products, ensuring that intellectual property (IP) is properly managed and accounted for its paramount to the company's long-term survival. To address this concern, the firm turned to SAP Business One to whip its information management system into shape and automate its purchasing, production and accounting processes.

"In our line of business, we deal mainly with research scientists and inventors. Therefore, it is critical that we provide our clients with detailed progress reports during the course of the project," says Mr Yee Keng Yip, General Manager of NanoTechnology Manufacturing.

This includes submitting comprehensive material usage and cost breakdown for each development stage, as well as supplier information to assure clients that the integrity of their research is not compromised in any way. Moreover, this information is essential in keeping the house in order, he adds. Maintaining an easily accessible knowledge databank of projects past and present will help the company make strategic decisions for future growth.

In addition, a secure information management and enterprise resource planning (ERP) system will help NanoTechnology Manufacturing clinch the rights to manufacture the final product at the end of the prototyping phase. "Typically, after the precision engines are made, we have to go through a qualification process before we win the contract to produce the end-product for the customer. This is when we have to prove that beyond our technical capabilities, we have efficient business processes and good governance practices in place to be their long-term business partner," says Mr. Yee.

NanoTechnology Manufacturing did not have to look far for the right ERP solution to fulfill the company's stringent requirements. In fact, SAP was the first solution vendor that came to mind.

"SAP has been robustly tested, adopted and used by a lot of well-known companies in the industry because of its ability to ensure data transparency and data integrity."

Mr. Yee Keng Yip, General Manager, NanoTechnology Manufacturing

"SAP has been robustly tested, adopted and used by a lot of well-known companies in the industry because of its ability to ensure data transparency and data integrity. SAP's software speaks for itself," says Mr. Yee.

Strategic Advantage Achieved

With the help of SAP's partner, ObTech Asia Pacific Pte Ltd, NanoTechnology Manufacturing's implementation of SAP Business One commenced in October 2005 and went live two months later.

"We were very happy with the support we received from ObTech. The cut-over from our manual-based accounting and purchasing processes to SAP Business One was very successful," says Mr. Yee.

However, ObTech's task was by no means an easy one. As the company's requirements were highly specific to the industry, the team had to fine-tune standard SAP Business One modules so as to meet the reporting standards that NanoTechnology Manufacturing had set for its operation.

Much of the implementation effort was also focused on ensuring the company's existing knowledge was transferred securely into a centralised database without interrupting the

company's daily operations. Extensive training was conducted for key users from purchasing, financial and the production control departments to familiarise them with the new solution's features.

After going live in December, NanoTechnology Manufacturing is pleased to find that the reporting process is now much faster and more accurate since information is updated in real-time. Previously, costing reports were prepared manually on individual Excel spreadsheets. This would take a long time to compile especially since there are various costs associated with its projects, which could last anywhere between two weeks to six months. Now, these reports can be generated instantaneously.

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NanoTechnology Manufacturing has also leveraged SAP Business One to manage its complex purchasing process and supplier base. Unlike most companies, NanoTechnology Manufacturing procures raw materials in small quantities on a need-to basis, explains Mr. Yee. Complicating matters is the fact that some of these materials are so rare that only one or two suppliers stock them.

"SAP Business One is invaluable in this respect, as it gives us important insights into the historical cost data of every item sourced from each supplier. This enhances our buying power to negotiate for better deals in the future," he adds.

The Quest for More

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Mr. Yee Keng Yip, General Manager, NanoTechnology Manufacturing

For NanoTechnology Manufacturing, the completion of the project does not signal the end of its investment in SAP. Based on the efficiencies it has garnered so far, the management feels it is a system that should be exploited further.

"NanoTechnology Manufacturing as a company already has the competitive edge. But SAP Business One allows us to focus on our core competency without having to worry whether the information generated by the system is accurate. This definitely strengthens our strategic position in the market," says Mr. Yee.

ACM RUNS SAP TO SHARPEN ITS COMPETITIVE EDGE

Alliance Contract Manufacturing Sdn Bhd's (ACM) success on the world stage hinges on IT. It chose SAP® solution to sharpen its competitive edge in a global marketplace.

AT A GLANCE

Solutions & Services:
- Financial Accounting and Controlling (FI/CO) with product costing, Materials Management (MM), Sales & Distribution (SD), Production Planning, Quality Management (QM), and E-portal

No. of Users:
- 20

No. of Site:
- 1

Length of Implementation:
- 9 months

Key Benefit:
- Monthly financial reports can be generated in three days. ACM expects to recoup its investment in SAP within three years

Channel Partner:
- JSPC

ACM, a growing enterprise in the opto-electromechanical assembly and contract manufacturing space targets the infocom/ medical/ photonics and industrial equipment industries.

It knows that its competition is not isolated to local markets, but extends across the globe. Faced with the need to compete in a global marketplace, it upgraded to a world-class IT infrastructure for a competitive edge.

> **"Our legacy system is unable to cope with the increasing business activities and complexities in our quest to be a global player."**
>
> Mr. Tan G.H., Executive Director, ACM

Specifically, ACM's legacy IT system was not fully integrated and lacked real-time reporting capability. As a result, logistics transactions entered through the GL (general ledger) prolonged the time taken for monthly closing. Also, the estimation of the gross margin was not available as the cost of sales and inventory is valued and entered through a journal at the end of each fiscal period.

In addition, timely information on financial and logistics status was lacking when business decisions were made, and the lack of comprehensive product costing breakdowns may have resulted in lost business.

Breadth Of Functionality, Excellent

ACM started its search for a world-class IT infrastructure by projecting its IT needs for the next five years, and justifying to management the investment needed.

The company decided on SAP's solutions because of its breadth of functionality and integrated nature. "SAP has a full range of functionality that meets our current and future

needs, … and it provides us maximum interoperability with our holding company and its subsidiaries and other SAP users," says Mr. Tan.

In addition, ACM intends to leverage SAP's helpdesk services, online monitoring, remote maintenance and on-site assistance to reduce the costs of its operations.

ACM signed the agreement with SAP Malaysia and started implementation with SAP partner JSPC. Using the Accelerated SAP (ASAP) methodology, ACM went through five implementation phases. The time taken to implement the solutions was up to expectations, says Mr. Tan.

The bulk of the time was spent at the Business Blueprint stage, to ensure that the best choices are made for the firm's ERP requirements, says Mr. Tan.

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Mr. Tan G.H., Executive Director, ACM

ACM also leveraged SAP's best practices to redefine some of its business processes. In terms of the pre- and post-implementation support, ACM will use SAP's Online Service System (OSS), SAPNet, Early Watch Alert, and Go Live Check.

ACM is running the SAP solution on Microsoft Windows 2000 and two HP servers, one for Development and the other for Production. The application and database servers are installed on one physical server.

"The scalability and performance of the system are superb," says Mr. Tan. He explained that the SAP solution allows for high scalability and high volume Internet transaction rates, and its vertical scalability encompasses a multi-tier Internet architecture.

Tangible Business Benefits

With the implemented SAP solutions, ACM now has a single real-time financial and management solution, and improved links between customers, suppliers, and employees. It can now get up-to-date reports on sales, materials, operations and financial performance monitoring, and the monthly financial report is available in three days.

To measure the effectiveness of the SAP solution, ACM had set both tangible and strategic business benefits and measurable Key Performance Indicators (KPI).

The KPIs are to achieve revenue and profit growth of 50% and for customers to perceive ACM as having a fully integrated value chain that is B2B ready.

Also, an annual productivity improvement of 20% is targeted for the next five years; to achieve inventory information with 99.8% accuracy; and to reduce inventory holding days by two-thirds.

ACM expects the cost of the system to be paid for in three years, and intends to achieve its ROI through increased business, and a reduction in operational costs.

So far, the strategic benefits ACM has experienced are a stronger company presence in the market; an infrastructure ready for future growth; better supplier management; maximising the utilisation of human assets; establishing an operational value chain to manage the end-to-end logistic process; and improved customer satisfaction through better response to their needs.

Already, Mr. Tan says ACM has seen improved efficiency, better product costing and customer value. Profit margins have also improved through leaner operations, shorter lead time, reduced waste, accurate inventory control, and productivity improvement. The value chain has also been optimised to support collaborative planning and forecasting.

The SAP solution has enabled ACM to "work in real-time, make faster decisions and respond more quickly to business opportunities," says Mr. Tan. "All data is real-time, and fully integrated now; information is more transparent to users at all time."

Customers have also noted a difference. "The perceived customer value has improved with the SAP implementation. [There is now] better service in terms of inquiry response time, order execution and inventory management," noted Mr. Tan.

For the employees of ACM who use the system, the system has helped them to focus in their respective functional areas for higher value added jobs, as internal procedures have been re-engineered and mapped onto the SAP solution.

"This implementation has created better team work, more discipline in data entry and data quality, better communication, and inventory accuracy," says Mr. Tan.

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ACM does not intend to just maintain status quo. It already has plans to work towards RosettaNet-ready standards, supporting the XML-based document standards, and getting ready for its customers and supply chain partners' linkages on a global basis.

Future plans include implementing mySAP™ Enterprise Portal to allow its employees and business partners to access and work with SAP information across the extended enterprise through a centralised interface.

Finally, ACM intends to add a shop floor database system with Web reporting capabilities, and build B2B integration ability with an integration solution like SAP Exchange Infrastructure.

FE GLOBAL ELECTRONICS USES SAP TO EXPAND REGIONALLY

With its large network of offices in Asia Pacific, FE Global Electronics Pte Ltd needed an IT system that could integrate its business processes and be localised for specific countries in the region. It chose mySAP™ ERP and has enjoyed enhanced cash flow management and improved visibility.

AT A GLANCE

Website:
- www.fe-electronics.com

Key Challenges:
- Previous system unable to support multiple languages, local currencies and regulations
- Inefficient management of inventory and cash flow process
- Real-time sales and stock information not available
- Lack of standardisation across all businesses, resulting in inability to consolidate information

Project Objectives:
- Implement a centralised system for all businesses across the region
- Develop a better inventory management system
- Improve management of cash flow and bottom line
- Increase customer service levels and competitiveness

Solutions & Services:
- mySAP™ ERP, Implemented Sales Distribution, Materials Management, Financial and Cost Controlling and Production Planning

Why SAP Solution:
- SAP is a reliable and proven brand
- Ability to meet all of FE Global's project requirements
- Ledge Consulting, SAP's channel partner, offered flexibility and cost-effectiveness
- Excellent after-sales support

Key Benefits:
- Overall business processes now better managed
- Common platform ensures standardisation across regional subsidiaries
- Ability to retrieve real-time information enables prompt decision-making
- Increased competitive edge and improved customer service

Channel Partner:
- Ledge Consulting Pte Ltd

With more than 45 regional offices across 10 countries, FE Global Electronics faced a key challenge on how to effectively manage information across the entire organisation.

Two key areas in particular, inventory and cash flow, required special attention, as inefficient management could result in the company losing its competitive edge.

"The key objective of having a centralised ERP system is to provide management with timely information for more sound business decisions. With the efficiency and integrated solution offered by mySAP ERP, we are able to serve our customers, business partners, principals and stakeholders even better."

Mr. Tay Hung Chuan, Senior IT Manager, FE Global Electronics Pte Ltd

"Our industry is so competitive that we cannot tie down our cash in the form of inventory," explains Mr. Tay Hung Chuan, Senior IT Manager, FE Global.

Unfortunately, the company's five-year old ERP system had become too archaic and ineffective. The legacy system could not efficiently track and deliver up-to-date inventory and accounts information. It could not consolidate and analyse the data or provide management with analysis and forecast

reports that they could leverage on for strategic and informed business planning.

The legacy system could not support the various Asian languages, currencies and government regulations. It hindered implementation across all FE Global regional subsidiaries. More importantly, the previous system could not support the Chinese language, a key requirement for the company's growth and expansion in China.

"We reviewed the functionality and features of each software and in the end, SAP proved to be the most suitable in catering to our needs."

Mr. Tay Hung Chuan, Senior IT Manager, FE Global Electronics Pte Ltd

With all these limitations, FE Global started to evaluate several software vendors, looking for a system that would best fulfill the company requirements to improve inventory tracking and cash flow, and support its regional growth. Ultimately, the new system must help to enhance customer service levels and the company's competitiveness.

SAP Gives The Best Fit

Among all the software vendors evaluated, SAP stood out with its established reputation and reliability. The vendor's business solution platform fit perfectly with FE Global's criteria for an integrated and centralised system with the capability to support multiple languages, local currencies and government regulations.

"We reviewed the functionality and features of each software and in the end, SAP proved to be the most suitable in catering to our needs," says Mr. Tay.

Another decisive factor was the professionalism and flexibility of Ledge Consulting, SAP's channel partner.

"Ledge Consulting's deep knowledge of the High-Tech industry was what drew us to them. Their flexible approach towards business and their competitive offerings were very attractive to us," Mr. Tay explains.

After consultation with Ledge, FE Global decided on the mySAP ERP solution. Four modules were selected for implementation: Financial Accounting and Cost Controls, Sales Distribution, Materials Management and Production Planning.

The Road To Integration and Centralisation

Given the company's wide regional network, the installation process was split into two phases, spanning a total of 15 months. In this timeframe, mySAP ERP was implemented across all FE Global offices in the region, with the exception of China and Korea. Singapore was designated as the corporate data center.

Phase One took eight months and involved implementing the new system throughout the South Asian offices. Phase Two took seven months for the North Asia offices. The respective go-live dates of each phase were June 2005 and January 2006. Mr. Tay was very impressed and pleased with Ledge Consulting and the smooth installation of the mySAP ERP software.

"The entire implementation process was very focused, and Ledge's project management was excellent. The relationship was very synergetic and collaborative. It was more of a partnership rather than a one-time turnkey project. Ledge came in to train and transfer their knowledge to my IT staff," says Mr. Tay.

As a result, after Phase One, the FE Global IT team found itself quite self-sufficient. In fact, it was the FE Global IT team that handled the North Asia rollout, with Ledge Consulting playing an advisory role.

Better Management with SAP

Following the successful implementation of mySAP ERP, Mr. Tay now finds that the company's business processes are much more organised with the proper controls in place. Staff are now able to easily keep track of the inventory, ensuring that there is an optimal inventory level when they buy and sell large quantities of stock.

mySAP ERP has further allowed FE Global easy access to its customer database, enhancing its ability to have a better control of its risk management.

The staff now enjoy a higher visibility of customer information and payment history enabled by mySAP ERP. Subsequently, this helped in the sales and accounts receivable processes. The company now can maintain a smooth cash flow and solid bottom line.

"Before, we could not monitor our stock levels as efficiently because the old system did not have sufficient support capability. Now, with mySAP ERP, our customer credit management as well as procurement processes are much more effective," says Mr. Tay.

With the system integrated across most of its offices, FE Global can now gain a 360-degree view of the company's overall business operations. This helps to provide management with relevant information on which they can base their future business planning and resource allocation.

"The key objective of having a centralised ERP system is to provide management with timely information for more sound business decisions. With the efficiency and integrated solution offered by mySAP ERP, we are able to serve our customers, business partners, principals and stakeholders even better," says Mr. Tay.

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Complete Roll-out

Riding on the successful completion of Phase One and Two, FE Global is now preparing for Phase Three of the project, rolling out mySAP ERP to the Hong Kong offices.

Ultimately, FE Global hopes to have SAP as a common business solution platform throughout the organisation, including their operations in China and Korea. This, Mr. Tay says, will enable the entire business to become more organised and allow them to provide their customers with a higher level of service and satisfaction.

HONAMI ELECTRONICS SPARKS BUSINESS WITH SAP BUSINESS ONE

Honami Electronics' legacy system lacked integration and was unable to provide management with a bird's eye view of the company business. It implemented SAP® Business One within 3 months and has since streamlined its business operations.

AT A GLANCE

Website:
- www.honami.com.sg

Key Challenges:
- Lack of integration for Honami's business processes
- Time-consuming order process that lacked tracking capability
- Management was unable to access and retrieve information easily
- Unable to customise reports according to business' needs
- Previous system could not grow with the business

Project Objectives:
- Implement a centralised system that integrates all business processes and increases efficiency
- Streamline order process and enhance tracking capability
- Increase accuracy and ease of retrieving information
- Improve reporting capability for all functions
- Put in place a system that will scale with the business

Solutions & Services:
- SAP® Business One comprising Financial Accounting, Sales and Distribution, Purchasing, and Inventory Management

Why SAP Solution:
- SAP is a reputable brand
- Affordable, easy to implement and rich in functionality
- Can be customised to Honami's needs

Implementation Highlights:
- Implemented in three months

Key Benefits:
- Increased efficiency and productivity in workflow processes
- Automation of sales order processing with improved tracking capability
- Improved visibility and easy retrieval of information
- Enhanced reporting capability for all functions
- Scalable IT system that can grow with the company

Channel Partner:
- ObTech Asia Pacific Pte Ltd

As a regional electronics company, the majority of Honami's clientele comprises major Japanese electronics brands. With efficiency being especially important to its Japanese clients, Honami needs to ensure that orders are processed smoothly and delivered on time in order to uphold its high customer service levels.

"SAP is a very reputable brand and I was very impressed with SAP Business One's rich functionality. In addition, it was user-friendly and my staff could easily adapt to it. The cost-effectiveness and customisability of the solution were additional reasons to choose SAP."

Mr. Hiroshi Mimura, Managing Director, Honami Electronics

However, the legacy IT system that Honami had was unable to fulfill the company's requirements. It was unable to consolidate Honami's sales, inventory, and finance information into a centralised database, resulting in the limited visibility of data across the business. Management could not access and retrieve information easily, and staff could not respond to customer enquiries as promptly as they desired.

With 500 to 600 customer orders received each month, it took longer to process each order and harder to track the order fulfillment.

In addition, management was unable to customize its sales and inventory reports, which hampered their business decision-making ability.

Easy Implementation A Key Factor

Honami evaluated a few software solutions and eventually chose SAP Business One for its affordability, ease of implementation and ability to scale in tandem with the business.

"SAP is a very reputable brand and I was very impressed with SAP Business One's rich functionality. In addition, it is user-friendly and my staff could easily adapt to it. The cost-effectiveness and customisability of the solution were additional reasons to choose SAP," says Mr. Hiroshi Mimura, Managing Director, Honami Electronics.

"Our business now enjoys greater efficiency and integration. Information is more easily accessed and retrieved too. I am confident that SAP Business One will help us streamline our work processes and provide the best service to our customers."

Mr. Hiroshi Mimura, Managing Director, Honami Electronics

The final decision to go with SAP was made because of the professionalism and strong understanding of Honami's business needs by ObTech Asia Pacific, SAP Channel Partner.

Financial Accounting, Sales and Distribution, Purchasing, and Inventory Management were the four modules implemented successfully through ObTech, and the system went live in January 2006 after a three-month implementation period.

Improved Effectiveness With SAP

Honami is extremely pleased with the tangible benefits that SAP Business One has brought to the company.

Since implementation, Honami has seen real cost savings and enjoyed increased efficiency in its workflow processes, as well as better customer satisfaction. The new system enables the company to issue paperless electronic invoices to customers, while the automation of its customer orders has simplified its workflow and reduced the time spent on processing requests.

"Our customer order process is now streamlined as a result of implementing SAP Business One. Upon request from customers, we can now provide them with quotations and samples within three working days. Previously, it would have taken us much longer," says Ms. Karen Teo, Accounts and Human Resource Manager, Honami Electronics.

"More importantly, we can now track our customer orders using the centralised database in SAP Business One. This has improved our after-sales service and ongoing support capability, allowing us to respond to enquiries promptly," adds Ms. Teo.

The integration of Honami's business functions also means that staff now enjoy increased visibility of information across the business. It has also become easier for management to generate tailor-made reports from the new SAP system.

"As our company grows, we want to have real-time information about the business and a better understanding of where our profits are coming from. The system automatically sends analytical reports to me daily via email. This has proved to be very useful as it enables me to know what's happening in the business on a day-to-day basis," says Mr. Mimura.

"The system also acts a check to ensure the accuracy of our reports. With all the information consolidated in one system, customer data and profit information can be easily traced and verified," explains Ms. Teo.

Future Boost For The Business

Looking ahead, Honami plans to explore how it can further leverage SAP Business One. For instance, Mr. Mimura hopes to be able to analyse and use the reports generated by SAP Business One to identify sales trends and opportunities. If successful, this will prove to be a very strategic tool for the company's expansion plans.

JWS TAPS ON mySAP ALL-IN-ONE FOR BETTER ANALYSIS AND DEPLOYMENT OF RESOURCES

John While Springs (S) Pte Ltd needed an IT system to support its inventory management and provide better forecasting capabilities. It implemented mySAP™ All-in-One and has enjoyed improved customer service, as well as better resource management and operations efficiency.

AT A GLANCE

Website:
- www.jwsprings.com

Key Challenges:
- Unable to turn data in previous system into useful information for decision-making
- Deployment of resources could not be based on timely information with certainty
- Lack of integration of overall business operations

Project Objectives:
- Integrate inventory management and accounts on a single system
- Build a scalable global system that enables real-time retrieval of data for all manufacturing sites
- Better customer service than competitor

Solutions & Services:
- mySAP™ All-in-One; FICO (Financial and Cost Controlling), MM (Materials Management), WM (Warehouse Management), QM (Quality Management), SD (Sales and Distribution) and PP (Production Planning)

Why SAP Solution:
- SAP is a renowned, trusted brand
- Impressed by industry knowledge of best practice and the professionalism of Ledge Consulting, SAP's partner

Key Benefits:
- Improved logistics management
- Full and complete information of entire business operations
- Ability to do trending and forecasting based on real information
- Better customer service

Channel Partner:
- Ledge Consulting Pte Ltd

As a global player in the industry, John While Springs (S) Pte Ltd (JWS) faces rapidly changing markets and to compete more effectively, it has to constantly reinvent itself and prepare for the future.

"Our industry is global, with international customers, suppliers and competitors. We need to work hard to keep our customers. People think of springs as a commodity but after meeting us and better understanding our capabilities, they appreciate how we add value to their supply chain. In the end, we are service-oriented as you can't deliver just a piece of bent wire," says Ms E. Rhonda Willson, Executive Chairman, JW Group of Companies.

"Five years ago, nobody could tell me how many of each type of spring was being made, what the sales figures for those types of springs were, which spring gave the best return on investment. Now, with mySAP ERP, we are getting real information about spring manufacturing. It makes it easier to allocate resources."

Ms. Rhonda Willson, Executive Chairman, JWS

The company adopts a complete business solutions approach, working closely together with its customers from the concept and design of spring applications in their new product models, through the pre-manufacturing stage and assembly line manufacturing to when the end product is delivered.

"There is a fair amount of time spent working on the design and pre-manufacturing stages and working on a FMEA (Failure Mode Evaluation and Analysis) model to pre-empt potential problems for our customers," explains Ms. Willson.

As JWS strives to become a leading player in the industry, it realise how crucial it is to better manage the resources it possesses and optimise them for valuable output. An effective Management Information System would enable fast and accurate retrieval of information about the entire business operations so that informed and timely business decisions can be made. This would enhance JWS's value-added services to its clients and help it surpass the competition.

An Integrated ERP System

With this service-oriented approach in mind, Ms. Willson needed an ERP business solution that could help her drill-down through the large amount of data and convert it into information. This would then help her make decisions in resource management, acquisition of technology and know-how for the current and future needs of the organisation.

"Our old system wasn't giving us what we wanted. We were not being supported at all by the previous software vendor. We had no software patches, no upgrades available and it was not able to scale. We knew we had to look for something different," says Ms. Willson.

Springing Into Action

The solution for JWS came in the form of SAP's mySAP All-in-One. "We got feedback from the ground of SAP's good reputation and that it is a great company. They had a proven track record and are reliable. That's why we chose to go with SAP," says Ms. Willson.

JWS deployed mySAP All-in-One, incorporating some of the best business practices in channel partner Ledge Consulting's HighTech-One solution. In all, seven SAP modules, FICO (Financials and Cost Controlling), MM (Materials Management), WM (Warehouse Management), QM (Quality Management), SD (Sales and Distribution) and PP (Production Planning) now handle JWS business processes.

"Ledge spoke the same language as us. They understood what we wanted and we felt that they had a sense of ownership and commitment towards our project. Ledge had a very clear roadmap and was able to configure our system based on our needs," says Ms. Willson.

Better Resource Management through SAP

Ms Willson has been extremely pleased with the initial results of mySAP All-in-One.

She now has a wealth of information to support better decision making. This is a far cry from the past, when Ms. Willson could only make her business decisions for the future by 'the seat of the pants'.

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Ms. Rhonda Willson, Executive Chairman, JWS

"Five years ago, nobody could tell me how many of each type of spring was being made, what the sales figures were for each spring type or from which machine, or which spring gave the best return on investment. Now with mySAP ERP, we are getting real information about spring manufacturing. It makes it easier to allocate resources," says Ms. Willson.

With the system integrated throughout the company, the company's logistics are also better handled.

Admittedly, there was some adjustment as staff familiarised themselves with the new system. Right after implementation, all data had to be re-examined, and some had to be cross-checked individually, notes Ms. Willson. This was because the old system had not been as rigorous as that from SAP, and JWS had initially assumed that the data requirements for the new SAP system would be similar.

The previous system had also been less structured, allowing staff to take shortcuts in their work processes. While the workflow appeared shorter, it often meant that the audit trail was more disorganised. Implementing mySAP All-in-One has created standardised requirements that make JWS' business operations more disciplined and well managed.

Planning For The Future

Impressed with the current benefits from mySAP All-in-One, Ms. Willson hopes to use the new system to further strengthen her company's foothold in the industry.

mySAP All-in-One currently enables forecasting to be done and, in time, Ms. Willson aims to develop detailed scheduling of production orders with the help of Ledge Consulting.

"There is now less stock and less raw material left over. With the latest set of accounts, I can now see the number of springs manufactured, and where improvements are needed in our range of machinery."

Ms. Rhonda Willson, Executive Chairman, JWS

But the priority is rolling out the SAP solution overseas. JWS has a manufacturing plant in Shanghai and a new plant near Bangkok that will soon be operational. Plans to replicate SAP at these two sites have been formalised. When that happens, the JW Group of Companies will see the full benefits of an entire integrated system, as, at a touch of a button, Ms. Willson and the Board of Directors will be able to discern the pulse of the on-going businesses. Timely strategic decisions can be made, a crucial advantage in business today.

Ultimately, mySAP All-in-One has enabled JWS to streamline and integrate its overall business operations. This has led to a better management of resources, resulting in higher productivity and efficiency within JWS, and improved levels of customer service.

KAON MEDIA RUNS SAP

IMPLEMENTATION OF SAP BUSINESS ONE WITHIN ONE AND HALF MONTHS SUPPORTS GLOBALISATION OF QNAP

QNAP Systems, Inc. required an easy-to-use system that could satisfy its future globalisation needs. After implementing SAP® Business One, the company could focus on its core competencies more easily.

AT A GLANCE

Website:
- www.qnap.com.tw

Key Challenges:
- The old system could not support the company's plans for globalisation
- Receipts could not generate real-time data to be applied in other business processes
- Reports lacked flexibility
- Limited IT resources to maintain the system

Project Objectives:
- User-friendly system
- Improve work efficiency and internal communications
- Enhance customer satisfaction
- Meet company's globalisation needs
- Accurate and flexible statistics reports
- Generate real-time data to be applied across business processes

Solutions & Services:
- SAP® Business One 2004 B Chinese Version
- Included Taxation and Invoice Solution from partner DWINS
- Created a real-time backup mechanism for SAP Business One database

Why SAP Solution:
- SAP is an established brand worldwide
- SAP is dedicated to providing customers with the best service and support
- SAP Business One is a proven application
- Provides excellent flexibility
- Compatible with related add-value software applications
- Solution can be upgraded over time

Implementation Highlights:
- Implementation was completed in one and a half months
- QNAP employees were closely involved in the implementation, allowing work to progress more quickly

Key Benefits:
- Quick installation without extra costs
- Easy and simple maintenance of system
- Enhanced customer satisfaction
- Flexible statistics reports
- Receipts can generate real-time data to be applied in other business processes, improving work efficiency and internal communication
- Company's globalisation needs met

Channel Partner:
- DWINS Digital Service Corp.

QNAP Systems (QNAP) is one of the leading network-attached storage brands in Taiwan, with award-winning product lines in storage, surveillance and communications. The company has grown rapidly due to the popularity of its products in the international distribution channels.

"We have found it fully beneficial to implement SAP Business One in order to improve our work processes and maximise out business prospects."

Mr. Meiji Chang, President, QNAP Systems, Inc.

In order to bring out the best of the company, QNAP management wanted to introduce a new IT platform that would support its globalisation strategy.

Restricted by Inefficiencies

A local leading brand, QNAP's old ERP solution functionality was limited. For example, transaction information from any one point in the business cycle could not generate follow-on data that could be applied to other business processes in real-time.

This relatively low level of automation and integration led to delays in getting work done, affecting the overall efficiency of the company. The quality of the data also affected the managerial decision making process, especially as the system could not provide a single, consistent view of

the company in real-time. Generated in a rigid format, reports of business status could not be customised easily nor created quickly.

SAP Business One Offers Long-term Stability

QNAP wanted a system that would be easy to install and use, as it had limited resources for maintaining its business systems. QNAP's ideal solution would come from an international brand name, but not with high maintenance or customisation costs.

"SAP Business One is the best ERP platform for local businesses that wish to strengthen their operations for globalisation."

Mr. Meiji Chang, President, QNAP Systems, Inc.

The company eventually selected SAP Business One because the software best satisfied all of its business requirements. QNAP liked SAP's established business worldwide, as well as the high standards of service and support offered. The company is confident that SAP Business One is a proven application that can help it strengthen its business processes and make the company more flexible.

Features that attracted QNAP in particular included the upgrade capability in SAP Business One, its compatibility with related value-added software applications, and the availability of after-sales services.

Enhanced Business Opportunities

Since it went live, SAP Business One solution has allowed QNAP to enjoy multiple benefits that place it firmly towards achieving its goals to becoming more competitive and penetrating further into foreign markets.

Entered once in the system, each business generates follow-on data and activities that are automatically applied across departments as required, improving work efficiency and allowing administrative tasks to be completed more quickly and accurately.

Internal communications have also improved as there is a consistent real-time view of all corporate data. QNAP now gets flexible statistics reports without having to pay any extra for customisation.

SEROME ELECTRONICS GETS HOOKED UP WITH SAP BUSINESS ONE

Serome Electronics (Serome) needed a system to provide more automation and integration for effective decision making. SAP® Business One has allowed it to cope with rapid growth, streamlined workflows, provided easy access to data and reduced costs.

AT A GLANCE

Website:
- www.e-serome.co.kr

Key Challenges:
- Ineffective legacy systems did not support Serome's growth
- Processing tasks manually was time-consuming
- Departmental data was not integrated
- Unable to make effective decisions
- Costs could not be easily managed

Project Objectives:
- To provide Serome with a basis for steady growth
- To automate and integrate workflows
- To consolidate data from various departments
- To build a strategic decision support system
- To reduce costs

Solutions & Services:
- SAP® Business One, EIS (dynaSight), add-on solutions for Production Process Management, Quality Management, and Cost Management

Why SAP Solution:
- SAP offers all the ingredients for a successful implementation

Implementation Highlights:
- Implementation was done in less than six months for 20 professional users
- SDK was also used to add functionality

Key Benefits:
- Established automated, integrated processes
- Introduced ineffective credit and inventory management
- Reduction of cost through optimised use of company resources
- Strategic decision support system enhances decision making
- SAP supports Serome's growth

Channel Partner:
- Morning Data Communication

Serome Electronics has already seen the manufacturing and sale of its digital and analogue modems hit around 40 billion won in its quest to be the leader in global communications. The company is now diversifying its operations to wide-area access solutions, Internet telephony solutions, modems, Internet networking solutions, and multimedia solutions, but requires powerful technology infrastructure to match.

However, Serome's legacy systems did not have a high degree of automation, so processing tasks was time-consuming. The same systems did not promote integrated data from different departments, preventing direct visibility into the company as time had to be spent consolidating data for reports. The reports in turn led to challenges in decision-making and cost management.

"We chose SAP not just because it is a solutions provider, but also because we are confident it can help us with the factors that will achieve that success."

Mr. Jeong-Soo Seon, Managing Director, Serome Electronics

Searching for Success

Serome decided to introduce SAP Business One to help its infrastructure cope with the growth of the company.

"The choice of the solution, evaluation of its internal capabilities, feasibility study, selection of an implementation partner, and full support by the management team are all major success factors to an ERP project. We chose SAP not just because it is a solutions provider, but also because we are confident it can help us with the factors that will achieve that success," says Mr. Jeong-Soo Seon, Managing Director of Serome Electronics.

The ERP Renewal Project was tasked to transform the entire company's processes–from administration, human resources, purchasing and materials to production. An EIS solution (dynaSight) was also added to enhance strategic decision support for management.

Dependable, Easily Accessible Data

SAP Business One was fully implemented at Serome in less than six months, and has been responsible for establishing an automated and integrated business.

With access to effective credit and inventory management, Serome can optimise its resources and reduce its expenditures. The integration of departmental data, as well as the strategic decision support system built on top of the information system, has helped Serome's management make better decisions.

"SAP Business One has built a foundation for Serome's steady growth. We now have better visibility into the business, allowing better decision making processes."

Mr. Jeong-Soo Seon, Managing Director, Serome Electronics

"SAP Business One has built a foundation for Serome's steady growth. We now have better visibility into the business, allowing better decision making processes," says Mr. Seon.

SAP BUSINESS ONE SMOOTHS WAY FOR STD FAR EAST

STD Far East required an enterprise system that would scale as it expands. With SAP® Business One, STD has been able to streamline its work processes, consolidate information for effective decision-making, and improve cashflow.

AT A GLANCE

Website:
- www.std.com.hk

Key Challenges:
- Locally-developed software could not scale to complement company growth
- Redundant data input wasted time and human resources
- Information was not shared easily across departments
- Real-time data was not available for decision-making, so STD could not respond quickly to change

Project Objectives:
- Needed standards-based enterprise software that could complement future business strategy
- Streamline internal workflow, increasing efficiency
- To consolidate data from different sources and provide data on a real-time basis for decision-making

Solutions & Services:
- SAP® Business One; Purchasing, Sales and Distribution, Financial Accounting, and Customer Management modules implemented

Why SAP Solution:
- SAP Business One fit the budget
- Solution allows close integration with business processes
- Ability to consolidate departmental data for

Key Benefits:
- Simplified, integrated processes, increasing productivity
- Data is only entered once into the system, reducing the possibility of human error
- Consolidated data is updated in real-time and available for easy analysis
- Internal communications improved
- Reduces distribution costs, improves cashflow

Channel Partner:
- MAPInTech Consulting Limited

Database:
- Microsoft SQL 2000

Operating System:
- Microsoft Windows 2003 Server

STD Far East Limited (STD), a distributor of IT brands such as Epson, BenQ, Panasonic, Pioneer and Verbatim, enjoys annual business volumes of approximately HK$200 million (US$26 million) a year, and has big plans to grow much larger.

"SAP Business One helps us to reduce staff error, clearly defines user privileges, and improves internal communications. Operational data is comprehensively and reliably updated in real-time, and available for easy analysis."

Mr. Walter Yeung, Chief Executive Officer, STD

"We plan to bring in additional brands as well as distribute overseas in the future. This year, we hope to increase business volume by over 50% through restructuring and by introducing new tools," says Mr. Walter Yeung, Chief Executive Officer, STD.

As with many small- and midsize enterprises in Hong Kong however, STD has bright prospects, but still has to work with limited resources to achieve its goals. The locally-developed software STD had been using to run its business, for instance, had begun to falter under the new growth strategy. Redundant data entry was common, and information could not be shared easily across departments.

Keeping Up with The Times

"The distribution business has become more and more complex. The software we used could no longer keep up with business requirements, especially when it came to analysing large volumes of data," says Mr. Yeung. "We had to look for suitable enterprise software that would enable us to respond to actual business circumstances."

STD researched many different choices while searching for a suitable solution. Mr. Yeung says, "The solution had to be widely supported, standards-based, and also feature strong accounting functionality.

"More importantly, it had to complement our future business development strategy, and allow us to leverage important business data, including customer and stock information. Finally, it had to allow our suppliers to respond quickly to our requirements."

"SAP Business One will greatly reduce our distribution costs, strengthen the management of accounts receivable, and improve company cashflow. The benefits we already enjoy are invaluable."

Mr. Walter Yeung, Chief Executive Officer, STD

Mr. Yeung added that the possibility of integrating its system with STD's parent company in the future was also a factor.

Business One Fits Budget, Priorities

STD chose SAP Business One after appraising different solutions, and implemented the Purchasing, Sales and Distribution, Financial Accounting, and Customer Management modules with the help of a professional SAP Partner.

"SAP Business One fit our budget perfectly and could be closely integrated with our business processes. It is a comprehensive integrated enterprise solution that consolidates sales, purchasing and stock, accounting, customer relationship management, production management and human resource management data for decision-making, so we can grasp the prevailing market trends almost immediately," Mr. Yeung says.

Immediate Efficiency

Since SAP Business One was installed, STD is run more efficiently, with simplified, integrated internal processes that enhance productivity. Entered once, data is sent to the appropriate department based on predefined work processes, and automatically reflected in the accounts system at the same time. For example, new hires are now seamlessly added to human resource costs the moment they are recorded in the system.

"SAP Business One helps us reduce human error and improves internal communications," says Mr. Yeung.

The company has also benefited from the powerful reporting capabilities offered by SAP Business One. "In the past, our colleagues had to extract relevant data from different Excel spreadsheets and combine them to create a report. It could take as long as three days," explains Mr. Yeung.

"Now we can customize reports in a very short time, allowing senior management to get to grips with essential information quickly so they can make the most informed decisions possible."

SAP BEST PRACTICES SUPERCHARGES TWS INDUSTRIAL'S ERP

TWS Industrial (Holdings) needed a solution that could optimise processes and accelerate return on investment on its SAP ERP project. It found what it was looking for in SAP® Best Practices.

AT A GLANCE

Website:
- www.tws.com

Key Challenges:
- Manual processes prevented finance staff from providing accurate and timely business data and analysis for decision making
- Product cost control was a long-drawn and tedious process
- Thinning profit margins and short product lifecycle

Project Objective:
- Standardise and streamline business processes in order to speed time-to-market, reduce operating costs and identify opportunities for growth

Solutions & Services:
- SAP® Best Practices, SAP modules include Financial Accounting, Cost Accounting, Sales and Distribution, Production Planning and Materials Management

Why SAP Solution:
- Tested and widely used by other manufacturers in the market
- It is a culmination of industry best practices SAP has gleaned from more than 30 years of working with various industries and companies
- Ensures that process design for the new SAP ERP system closely resembles actual operations

Implementation Highlight:
- Implemented within four months

Key Benefits:
- Enables consultants to quickly build a visual prototype of the enterprise system for testing
- Accelerated the learning process, reduced implementation work volume and project risks
- Serves as a two-way communication platform to express project requirements and changes

Channel Partner:
- Hanpu Ltd

Database:
- SQL Server

Hardware:
- IBM

Operating System:
- MS Windows 2000

TWS Industrial (Holdings) Limited may be a young company but the achievements of this high tech enterprise are by no means small.

Established in 1998, TWS manufactures batteries and accessories for mobile and cordless telephones, and handheld video cameras. Its customer footprint has also expanded far beyond domestic shores into Europe, America and Japan.

However, as the company's operations expanded, certain internal problems at TWS started appearing.

"Once the design blueprint was confirmed, modifications to the [new SAP ERP] system could be easily executed using SAP Best Practices."

Mr. Zuo Weilong, Senior Information Engineer, TWS Industrial (Holdings) Limited

The task of managing its accounts was getting increasingly arduous due to the limitations of legacy operating procedures. For instance, finance personnel were bogged down by manual auditing and balancing work, which compromised data accuracy and left very little time to create timely business data and financial analysis for decision makers.

Product cost control was also a long-drawn and tedious process for this mid-sized manufacturer as the management

of production data was manual-based. Staff productivity was affected as a result since they had to personally handle a variety and huge amount of data that came from changing customer requirements, production planning, managing excess inventory, alterations to production plans and stock format, urgent production orders and movement of materials. Furthermore, data accuracy could not be guaranteed and this system lacked data transparency.

Moreover, as a battery producer, TWS had to deal with thinning profit margins and short product lifecycle as technology changes at an extremely rapid rate. This required a standardisation and streamlining of business processes in order to speed time-to-market, reduce operating costs and identify opportunities for growth.

Low Start-Up versus Long-Term Benefit

After reviewing its challenges, TWS decided an adaptable enterprise management platform would be required to become a customer-focused organisation. Specifically, the new system should improve its process management capabilities, eliminate and automate manual tasks, as well as enhance time-to-market and its abilities to manage risk.

Initially, TWS opted for ERP solutions from domestic software providers. Although the price points were attractive for a growing enterprise, the solutions were unable to integrate TWS' business processes from end-to-end. That was when management realised it needed to invest in a more advanced system. Although the initial investment cost would be higher, it would be a more cost effective solution in the long run. Not only must the new enterprise system be capable of integrating all of TWS' business processes together, it should also require minimal or no development work or resources to implement and maintain. In addition, the company only wanted to work with a leading business software vendor who has solid customer references in the electronic assembly industry, and is a brand leader that has a broad and reliable range of applications and services.

Using Only The Best

TWS finally decided that SAP has the ERP solution it was looking for and SAP Best Practices the key that will ensure the new enterprise system operates at the highest level. In particular, TWS wants to leverage SAP Best Practices to reduce project risk, deployment time and costs, as well as assist with establishing and executing strategies to achieve project objectives.

"We chose SAP Best Practices because it is a solution that is tested and widely used by other manufacturers in the market. We believe it can help enterprises control project implementation scope effectively, optimise processes and accelerate return on investment."

Mr. Zuo Weilong, Senior Information Engineer, TWS Industrial (Holdings) Limited

In addition to leveraging enterprise resource planning (ERP) software from SAP to address TWS' pain points, management also deployed SAP Best Practices in order to rapidly realise the benefits of the five SAP ERP modules. These are include Financial Accounting, Cost Accounting, Sales and Distribution, Production Planning and Materials Management.

"We chose SAP Best Practices because it is a solution that is tested and widely used by other manufacturers in the market. We believe it can help enterprises control project implementation scope effectively, optimise processes and accelerate return on investment (ROI)," says Mr. Zuo Weilong, Senior Information Engineer, TWS.

Furthermore, SAP Best Practices is a culmination of industry best practices the business software leader has gleaned from more than 30 years of working with various industries and companies – from small businesses to global enterprises, adds Zuo. What convinced management was also the solution's ability to help them understand, visualise and design the SAP ERP solution to cover all of TWS' business processes.

Once the solutions were selected, TWS worked very closely with its implementation and consulting partner, Hanpu Limited, to provide intensive training to key end-users in the company. As the consultants could quickly build a visual prototype of the enterprise system for testing using SAP Best Practices, it hastened the learning process, reduced implementation work volume and project risks as a result. For TWS, this solution also made it easier for managers to propose and explain their operating requirements to Hanpu

during the design phase. And by giving both TWS and Hanpu a two-way communication platform to express their requirements or changes, SAP Best Practices has ensured that process design for the new SAP ERP system closely resembles actual operations. This means TWS can be sure it has a stable IT infrastructure that is built specific to business needs right from the start.

Best Results with Best Practices

After four months of project development work, TWS' new enterprise management system went live smoothly on 25 January 2005 – all thanks to SAP Best Practices.

"Once the design blueprint was confirmed, modifications to the [new SAP ERP] system could be easily executed using SAP Best Practices," says Mr. Zuo. "Any adverse effect on operations is thus minimised as the solution prevents both consultants and TWS from misunderstanding each other, especially in the area of how the system should operate."

With the SAP ERP system up and running, and optimised according to TWS' needs, it is now serving as a centralized enterprise system that gives management a good overview of their business. In addition, it has standardised all business processes within each department. This creates a more streamlined and transparent way of operating, which minimises business risk.

Manual tasks are also eliminated as a result. Not only has this accelerated the accounting process, it also ensures data accuracy. With business critical data easily available in real-time, it has sharpened TWS' ability to respond to market changes and customers' demands quickly.

Although management will need a longer time to evaluate the SAP solutions and the ROI gained after implementation, TWS is very satisfied with how the project has evolved so far.

In fact, it expects to see an overall reduction in operating costs and improvements to the overall ROI in the near future.

"We hope to use SAP Best Practices as a foundation for [all our] project implementations [in the future], drawing on its capabilities to help the company logically and effectively control the scope of implementation, optimise our business processes and accelerate ROI," says Mr. Zuo.

"We hope to use SAP Best Practices as a foundation for [all our] project implementations [in the future], drawing on its capabilities to help the company logically and effectively control the scope of implementation, optimise our business processes and accelerate ROI."

Mr. Zuo Weilong, Senior Information Engineer, TWS Industrial (Holdings) Limited

ALLIANCE CONTRACT MANUFACTURING (ACM) RUNS SAP.

ASJ MANEUVERS THE FINER DETAILS USING mySAP ALL-IN-ONE

ASJ manufactures resistors for clients in the telecommunications, consumer electronics, computer and automotive industries across the globe. mySAP™ All-in-One was chosen to replace its legacy system and was implemented within 6 months.

AT A GLANCE

Key Challenges:
- Faced difficulties synchronising inventory management across all its operations
- Lacked real-time visibility

Solutions & Services:
- mySAP™ All-in-One

Length of Implementation:
- 6 months

Key Benefits:
- Better inventory management
- Improved business efficiencies
- Better coordination between global operations
- Better customer service and improved order fulfillment cycle time

Channel Partner:
- Ledge Consulting

Imagine running a business that manufactures and distributes 20,000 distinct product types that are each smaller than a grain of rice. For ASJ, this is just one of the business challenges it faces daily. Other concerns are shrinking physical product size and life-cycles, strict order requirements and complex inventory management processes.

To meet the growing demand for quality resistors, ASJ expanded into Malaysia, China, Hong Kong and the US. The increased scope of its operations was the impetus for ASJ to replace its legacy system with mySAP All-in-One for High Tech Industry, a scalable solution that could give ASJ the flexibility to effectively plan its entire material supply chain.

> **"We finally decided on SAP due to its reliability, stability and easy access to industry best practices. Furthermore, SAP is a very strong brand."**
>
> Mr. A Abul Kasan Sathali, Systems Manager, ASJ

The SAP solution has since set ASJ's growing enterprise foundation on course. The integration of ASJ's departments, plants and processes to provide centralised, real-time data access for sales, inventory and accounting purposes has increased transparency and improved internal controls for its overseas plants. Operational efficiencies of business processes, especially in the area of inventory management, have improved. Report generation and cross-company billing can now be done with ease as well.

BOE ELECTRONICS RUNS SAP BUSINESS ONE FOR IT INFRASTRUCTURE BUILDING

BOE Electronics manufactures electronic components and materials. It has a range of businesses focused on providing products and services for the display devices industry.

AT A GLANCE

Key Challenge:
- Eliminate manual processes and integrate departments under one common IT platform

Solutions & Services:
- SAP® Business One

Length of Implementation:
- 2-3 months

Key Benefit:
- Tighter management controls and streamlined operational processes, leading to greater efficiencies and cost savings

Channel Partner:
- Han Consulting

Ever since its inception, BOE Electronics has been actively deploying resources into R&D. Headquartered in China, this subsidiary of BOE Technology Group manufactures and sells electronic components like LEDs, electronic vacuum glass and powdered solder glass.

> **"SAP Business One was selected because of its ease-of-use, scalability and comprehensive set of functions."**
>
> Dr Dong Yanshan, Director, IT Development, BOE Technology Group

As a result of its initial focus on R&D, investments in IT infrastructure building was put on hold. But as business expanded, management realised that its divisions – with the exception of the finance department – were far too reliant on manual processes. If this continued, it would impede BOE Electronics' profitability and progress.

The company decided to implement a scalable enterprise resource planning (ERP) system that would improve management standards, streamline operational processes and eliminate manual processing of orders. Among the software reviewed, SAP® Business One proved to be a perfect fit especially in areas of logistics, finance, and cash-flow and customer relationship management.

With SAP Business One, unnecessary workflows were eradicated, and management loopholes were discovered and corrected, thus increasing efficiency. Inventory and logistics management were also improved and optimised.

BOE HYUNDAI INTEGRATES OPERATIONS WITH SAP BUSINESS ONE

Established as a joint venture between China-based BOE Technology Group and Hyundai LCD, BOE Hyundai specialises in the production and sale of electronic modules for LCD screens. Its key clients include Siemens, Capitel, Eastcom and Lenovo.

AT A GLANCE

Key Challenge:
- Support its rapid growth and globalisation of business operations

Solutions & Services:
- SAP® Business One

Length of Implementation:
- 3 months

Key Benefit:
- Integrated logistics management with sales and production, thus improving inventory and production planning

Channel Partner:
- Han Consulting

BOE Hyundai has been experiencing rapid growth ever since it was established in 2002. Within two years of incorporation, the company has developed strong technological capabilities and was enjoying economies of scale from its manufacturing facilities.

However, since production is based on sales orders that come in, the manufacturer must also ensure sufficient amount of materials are procured and available to meet demands.

Also the lack of an integrated IT platform could not enable the manufacturer to obtain crucial business data in time to aid planning and decision making.

As a result, BOE Hyundai needed a well integrated logistics management system that was tightly integrated with sales and production. SAP® Business One was selected because of its ease-of-use, scalability and comprehensive set of functions.

> **"We know that in order for us to achieve higher growth, increase our revenue and expand our business globally, a comprehensive and scalable software is an essential and indispensable tool."**
>
> Dr Dong Yanshan, Director, IT Development, BOE Technology Group

With a lean implementation time of less than 3 months, the SAP solution has enabled BOE Hyundai to better manage its inventory, as each component is given a part number from which outflows and inflows could be tracked. This in turn improved inventory management and production planning.

COMPRESS DIGITAL TECHNOLOGY RAMPS UP A RAZOR EDGE WITH SAP

Compress Digital Technology (CDT) provides R&D, quality assurance, materials planning, and vendor management services to Philips Consumer Electronics. With SAP, updating data was reduced from 1 week to 1 day, and errors in shipping of components and materials improved from 20% to 1%.

AT A GLANCE

Solutions & Services:
- mySAP™ ERP

Length of Implementation:
- 4 months

Channel Partner:
- Compass Consulting Group

Hardware:
- HP Proliant Server

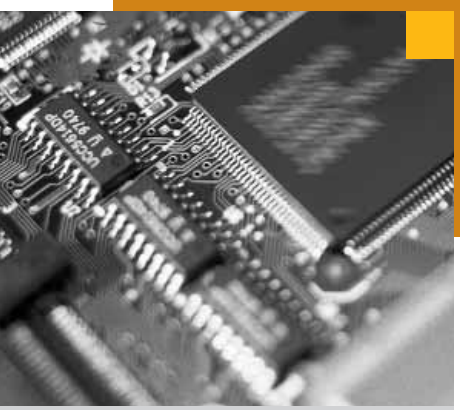
As a provider of original design manufacturer (ODM) services to Philips Consumer Electronics, Compress Digital Technology (CDT) wanted to strengthen the relationship with its customer further. At the same time, it was facing market challenges like the need to maintain optimum component inventory, manage production in an efficient and timely manner, increase time-to-market, and improve profit margins.

> **"With the SAP implementation, we have significantly improved our control over various data, raised our accuracy in planning and ultimately maximised our profits."**
>
> Mr. Eric Chan, Director, Finance and Administration, Compress Digital Technology

This prompted the Hong Kong-based company's search for a suitable management system and it found the solution in SAP. With that, CDT built an integrated IT platform to improve business visibility, data accuracy and provide consistent reporting. For instance, with SAP's Bill of Materials (BOM) and Electronic Communication Network (ECN) modules, the time needed to update data was reduced from one week to one day.

SAP raised accuracy in planning, thus maximising profits. Business risks are also minimised through close monitoring of inventory level. In fact, errors incurred in shipping of components and materials improved from 20% to 1%.

And since Philips is a SAP customer as well, CDT is able to meet Philips' business requirements better, streamline reporting and operating procedures.



CRESCENDAS MEC STAYS CLOSE TO ITS MARKETS WITH SAP'S HELP

Incorporated in 1992, Singapore-based Crescendas MEC is a manufacturer of fully tested wire and cable harnesses with printed circuit board (PCB) assembly services with operations in Singapore, Malaysia and China.

AT A GLANCE

Solutions & Services:
- Financials, Sales & Distribution, Materials Management, Product Planning, Quality Management

No. of Users:
- 80

No. of Sites:
- 3: Singapore, Malaysia (Johore and Penang)

Length of Implementation:
- 10 months

Revenue Turnover:
- €15 million

For Crescendas MEC (S) Pte Ltd to remain close to the market, the company needed proper coordination between production, sales and support and strategic management information across their manufacturing locations. Instead of passively reacting to customer demands, Crescendas MEC wanted to pre-empt customer needs.

After implementing SAP's solutions in 1999, which fully integrated all the key processes from order entry, inventory control to quality management and manufacturing, Crescendas MEC can now respond dynamically to the needs of the changing business environment.

The management team can capture all relevant data like billing and booking status, invoices overdue, outstanding orders and materials and other reports that affect Crescendas MEC's process flow. All these are now done instantaneously, in contrast to the many days spent to manually consolidate all the information previously.

> **"We needed to have our monthly financial reports within three days after the end of each month. Without a fully integrated ERP system, this would have been impossible. In fact, SAP can produce the report in just one day, if required. Relative to the features available, SAP was well worth it."**
>
> Mr. Gurdip Singh, President and CEO, Crescendas MEC (S) Pte Ltd

From a modest €5 million in the initial years, Crescendas MEC's turnover revenue has nearly quadrupled over the last 10 years. Its base of customers now spans local, regional and global names such as Hewlett Packard, Robert Bosch, Siemens, Sharp, Venture and Flextronics.

DAIKIN REFRESHES CORE SYSTEM WITH mySAP ALL-IN-ONE

Established in Singapore since 1968, Daikin Airconditioning (Singapore) sells air-conditioners directly and through a vast network of dealers and contractors.

AT A GLANCE

Key Challenge:
- Changing users' mindset and converting data to fit new system structure

Solutions & Services:
- mySAP™ All-in-One

No. of Users:
- 55

Length of Implementation:
- 7 months

Key Benefit:
- Smoother and quicker workflow across all departments

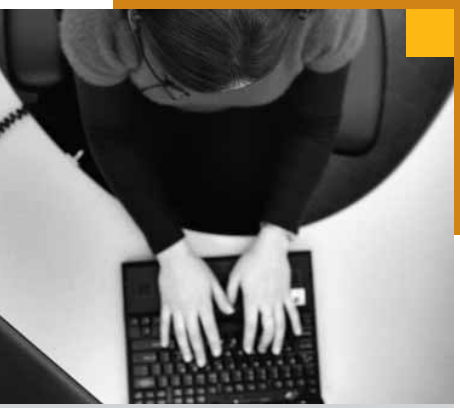
Channel Partner:
- Ledge Consulting

Daikin Airconditioning (Singapore) Pte Ltd (DSP), a subsidiary of Japan-based Daikin Industries, was fast expanding and wanted to use IT as a key enabler to optimise business processes. Previously, DSP used a customised materials requirement planning (MRP) system that had become too complicated to support and modify. Moreover, the MRP system could not integrate its sales, inventory and accounts data, resulting in costly delays as critical business data was only available at month-end.

> **"With mySAP All-in-One, we realised our investment quite fast. Our critical success factors were a good implementation partner, Ledge Consulting who knows our industry well, user and management support, and of course, the right software."**
>
> Mr. David Soon, Manager, Information Technology, Daikin Airconditioning (Singapore) Pte Ltd

DSP chose mySAP™ All-in-One as its new enterprise resource planning (ERP) system since its preconfigured solutions allowed for quick implementation. Not only has the SAP solution provided better visibility of inventory and stock levels, its real-time reporting features facilitated DSP's planning and decision-making processes.

Now, management can view gross profit updates instantaneously while the introduction of best practices through mySAP All-in-One has increased control and discipline across the board. This has resulted in a smoother and quicker workflow between DSP's inventory, sales, and logistics processes. DSP's SAP implementation was also complementary to Daikin's corporate goals, as its Japan headquarters had implemented SAP's Advanced Planner and Optimiser to integrate supply chain data across all its subsidiaries.



HUMAX BREAKS OUT OF THE BOX WITH mySAP ALL-IN-ONE

Headquartered in Korea, Humax is a global supplier of digital broadcasting terminals and technologies. Through its overseas subsidiaries, it is expanding into the digital home equipment market. It expects to recoup its investment in mySAP™ All-in-One within two years.

AT A GLANCE

Solutions & Services:
- mySAP™ All-in-One

Length of Implementation:
- 9 months

Channel Partner:
- BizTech Consulting

Database:
- Microsoft SQL Server 2000 Advanced Server

Hardware:
- HP Proliant ML750

Operating System:
- Microsoft Windows Server

Humax first realised the need for enterprise resource planning (ERP) during the height of the digital set-top box boom in 2001 where orders always exceeded estimates. During that period, Humax was already a global corporation with a host of subsidiaries under its belt and managing them was getting tougher.

The company selected mySAP All-in-One as the ERP solution to improve business efficiency and market competitiveness. This was also part of a long-term strategy to expand direct purchasing by broadcasting companies in the US and Europe, and penetrate the digital consumer electronics segment.

By using SAP to build a global integrated management platform, Humax is able to obtain real-time business data anytime, anywhere, and manage its subsidiaries from a central location. The computerisation of manual processes has also improved decision-making, transparency and productivity.

> **"We decided that the SAP solution was the most suitable one for us, [as it] provides outstanding possibilities of expansion and integration required for building a global management system."**
>
> Mr. In Chul Park, Director, Management Planning Division, Humax

mySAP All-in-One has proved to be a blessing. In fact, Humax expects a return on investment in just two years upon implementation. As its business grows, the company will consider adding functions such as production forecast to provide management with better business tools.

WITH SAP'S HELP, IDIS STRIDES CONFIDENTLY ONTO THE WORLD STAGE

Established in 1997, Intelligent Digital Integrated Security (IDIS) is a Korean company that produces digital video recorders and security monitoring equipment. Using SAP has reduced its accounts settlement from 25 days to 5 days, and the company expects to recoup its investment in SAP within 2 years.

AT A GLANCE

Key Challenges:
- Inability to manage the production and material planning process efficiently
- Lacked integration between the distribution and accounting systems

Solutions & Services:
- mySAP™ All-in-One

Length of Implementation:
- 4 months

Key Benefits:
- Improved production and material planning
- Increased business efficiencies
- Reduced the time taken to do accounts settlement from 25 days to 5 days

Channel Partner:
- BizTech Consulting

Intelligent Digital Integrated Security (IDIS) was fast expanding and aimed to capture 10 percent of the global market. To achieve this, the company must have a more effective enterprise management solution to replace its problematic IT system.

> **"mySAP All-in-One is great at accommodating the changes in our internal and external market environments. Its benefits have far exceeded the investment cost and it has provided us with a firm foundation to execute our management strategies."**
>
> Mr. Keon Il Gang, Assistant Director, Department of Management & Planning, IDIS

The old system was unable to manage the production and material planning process efficiently as it lacked a material requirements planning (MRP) function. The lack of integration between the distribution and accounting systems also often delayed the company's accounts settlement process.

IDIS selected mySAP™ All-in-One based on the strength of its functionalities, scalability and high return on investment (ROI). Using mySAP All-in-One, the company will be able to respond timely to market changes and hence increase profitability and cost efficiencies.

After implementation, IDIS reported remarkable improvements in its material planning, accounting and reporting processes. Now, the company can estimate production requirements more accurately and reduce resource wastage. SAP's analysis function and accounting system also improved IDIS' reporting process. What used to take 25 days for accounts settlement is reduced to only five days. The management also expects full ROI within two years.

KAON MEDIA GETS READY TO GO GLOBAL WITH mySAP ALL-IN-ONE

Established in May 2001, Korean digital multimedia devices manufacturer Kaon Media aims to be the leading set-top box provider in the industry. Its expects to recoup its SAP implementation within a year.

AT A GLANCE

Solutions & Services:
- mySAP™ All-in-One

No. of Users:
- 17

Length of Implementation:
- 4 months

Channel Partner:
- BizTech Consulting

Hardware:
- Dell PowerEdge 6600 Server

Operating System:
- MS Windows 2000 Advanced Server

Kaon Media, a digital multimedia devices manufacturer, is determined to be a leader in an intensely crowded marketplace of local and overseas players. In addition to price pressures and thinning profit margins, customers are increasingly demanding multifunctional devices. To obtain market leadership and prepare for expansion overseas, this young Korean company decided it needed to overhaul its business processes and enterprise system.

The company found what it was looking for in BizExpert, a qualified mySAP™ All-in-On solution. By standardising all its departments and integrating its logistics and accounting functions on SAP, Kaon Media is able to improve operational efficiency, as well as manage its budgets, costs and business processes more effectively.

With mySAP All-in-One in place, the company is able to obtain order, sales and inventory data in real-time, conduct profitability analysis and make informed, strategic decisions. And with the sales and manufacturing integrated on SAP, customer satisfaction has also increased as it is able to provide a more realistic delivery timeline to customers.

> **"With the mySAP All-in-One, we are able to compose an optimal product mix through profitability analysis of each business sector. It also allows us to analyse profitability from various angles, enabling us to improve profitability."**
>
> Mr. Jin Kyo Lee, Director, Planning and Human Resources Management, Kaon Media

With so many benefits rolling in, Kaon Media expects to obtain return on investment within one year from system implementation.

OLYMPUS KOREA ALIGNS INVENTORY WITH CUSTOMER DEMAND THROUGH mySAP ALL-IN-ONE

Olympus Korea manufactures cameras, digital cameras, photography equipment and optical goods. It sells direct to customers and through retailers like selling agencies, discount stores and e-commerce sites.

AT A GLANCE

Key Challenge:
- Align inventory closely with forecasted sales

Solutions & Services:
- mySAP™ All-in-One

Length of Implementation:
- 8 months

Key Benefit:
- Improved inventory management and customer service

Channel Partner:
- Trust

Hardware:
- HP Proliant ML570

Operating System:
- Microsoft Windows NT 2000 Server

In a highly competitive high-tech industry where the product lifecycle of digital cameras has become increasingly shorter, Olympus Korea knew it was critical to have an enterprise system that could accurately align inventory closely with forecast sales.

However, the legacy system of this photography equipment and optical goods manufacturer consisted of a distribution system and an accounting system that were not integrated. This affected its ability to extract precise sales estimates, and manage inventory efficiently.

To solve these problems, Olympus Korea used mySAP™ All-in-One to connect its operation with the Japan headquarters and other offices worldwide.

> **"Before adopting mySAP All-in-One, the company did not have the actual product sales data and accurate records of returned goods. As a result, the company was slow in responding to customers."**
>
> Mr. Jin Seok Jung, Director of ODN, an IT subsidiary of Olympus Korea

By integrating and automating its business processes, the company is able to enjoy the benefits of sharing and getting information in real-time. For instance, the SAP solution can process a large quantity of order information from partner companies and manage them all at one go within a short period. It is also able to track the current location of its shipment, enhancing customer satisfaction.

In addition, the solution has enhanced decision-making by providing the management team the ability to conduct sales trend and profit analysis.

PT ARISAMANDIRI PRATAMA GEARS UP FOR EXPANSION WITH SAP

Headquartered in Indonesia, PT Arisamandiri Pratama is one of Southeast Asia's leading plastic injection molding companies, which implemented mySAP™ All-in-One to enhance its value proposition.

AT A GLANCE

Solutions & Services:
- mySAP™ All-in-One

No. of Users:
- 20

No. of Sites:
- 2

Length of Implementation:
- 6 months

Channel Partner:
- PT Metrodata E-Bisnis

Revenue Turnover:
- €24.7 million

The plastic manufacturing industry in Indonesia is highly competitive and in order to maintain its market lead, PT Arisamandiri Pratama decided to diversify its produce range to increase market share and retain its pole position through an IT infrastructure upgrade. Its legacy systems were not integrated, which prevented effective data consolidation and decision making.

> **"SAP seemed like a natural choice for us. Considering that the majority of Fortune 500 companies are using SAP, we felt that doing the same would take us in the right direction."**
>
> Mr. Mathius Tan, Vice President, Business Development, PT Arisamandiri Pratama

When its executive team discovered that the power of SAP is available for SMEs through FastPack, a mySAP All-in-One solution for the plastic and packaging industry, they knew SAP was the solution for them.

PT Arisamandiri Pratama implemented a number of key modules from FastPack, including Material Management, Financials and Costings, Sales and Distribution, and some part of Production. With the new SAP solution, its 5,000 staff are now able to make sound decisions quickly and take immediate action to solve problems.

PT Arisamandiri Pratama believes mySAP All-in-One would be able to reduce cost, improve efficiency, deliver more value to customers, and gain a strong competitive edge.

SAP HELPS PT METRODATA ELECTRONICS UP CUSTOMER SERVICE LEVEL

Founded in 1983, PT Metrodata Electronics Tbk is a leading high tech distributor and solutions provider in Indonesia. SAP has enabled it to cut user response time by 30 percent.

AT A GLANCE

Key Challenges:

- Ensure that support processes are based on best practices
- Optimise technology investment
- Support an increasing number of end-users in the most cost efficient manner

Solutions & Services:

- SAP Empowering Assessment service

Key Benefits:

- Achieved SAP Customer Competence Center (CCC) status
- Became an authorised value-added reseller (VAR) of SAP software
- Reduced average user response time by 30 percent

Although PT Metrodata Electronics Tbk was already enjoying much success as a seller of computers and high tech equipment to companies in Indonesia, it had loftier goals that it wanted to achieve. Specifically, it wanted to become a value-added reseller (VAR) of SAP software, and enhance its support center processes and IT infrastructure.

To do this, it used the SAP Empowering Assessment service to review its support processes and existing SAP enterprise platform, as well as to explore ways to optimise operations and roll out best practices.

Following the assessment, SAP recommended that it adopts best practices in key areas such as support-desk management and problem resolution. The recommendations were broken into key functional areas and prioritised to enable Metrodata to focus on those that would generate the greatest immediate value.

> **"By streamlining support processes in line with SAP Empowering Assessment's recommendations, we will be able to cut user response time by 30 percent. Ongoing improvements will also lower the cost of running SAP solutions further and enable Metrodata to support a growing end-user base without increasing resources."**
>
> Mr. Kwee Ie Tjien, MIS Division Manager, PT Metrodata Electronics Tbk

After implementing the suggested changes, Metrodata's support center is now a certified SAP Customer Competence Center (CCC). This enables the company to play an active role in the development of new SAP solutions and reassures customers that the applications they use are well supported. This exercise has also reduced average user response time by 30 percent, thanks to efficiencies generated by process improvements.

SAP SUPPORTS ZYREXINDO MANDIRI BUANA'S GROWTH

Established in 1996, Zyrexindo Mandiri Buana manufactures computer systems in Indonesia, under the brand name "Zyrex". It has an assembly plant in Daan Mogot Jakarta and sales offices in other parts of the world.

AT A GLANCE

Key Challenges:
- Previous IT system failed to keep pace with company's rapid growth and affected decision making

Solutions & Services:
- SAP® Business One

No. of Users:
- 7 professional users and 5 CRM users

Key Benefits:
- Generated highly-accurate business reports
- Accelerated sales
- Improved product quality and customer service

Channel Partner:
- Berlian Sistem Informasi

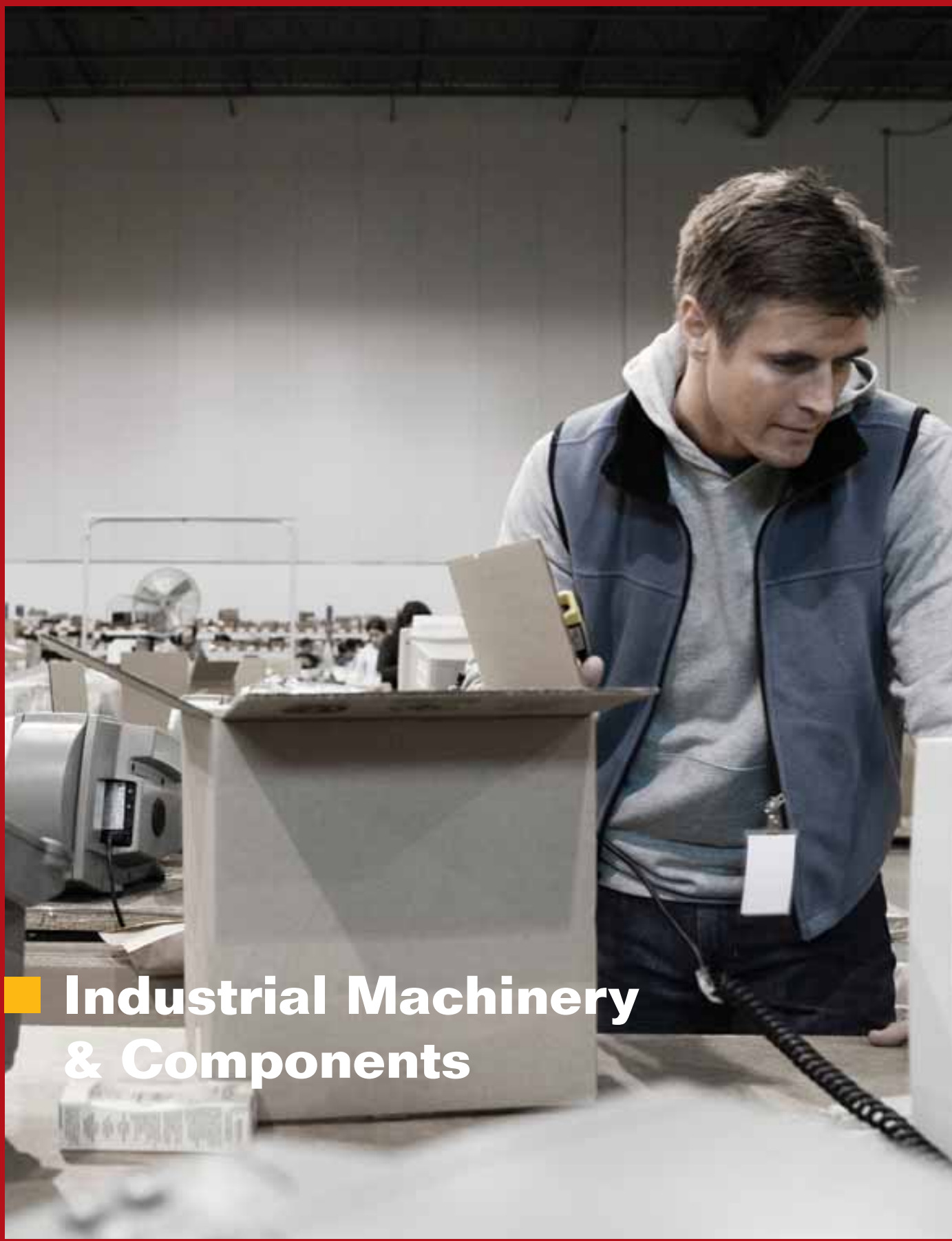
Zyrexindo Mandiri Buana's President Director Timothy Siddik remembers the frustration he felt when the previous IT system failed to keep pace with his company's rapid growth. Its unreliability made it difficult for the computer systems manufacturer to make decisions quickly.

> **"We wanted a reliable solution that was suitable to our business, offered rich functionalities, was economical, easy-to-use and quick to implement. We found that SAP Business One had all those qualities."**
>
> Mr. Timothy Siddik, President Director, Zyrexindo Mandiri Buana

The company aims to consistently manufacture products of the highest quality and provide top-level service, and sell as many products as possible to all market segments. Timothy believes that aim can only be achieved with the support of a reliable solution that is able to integrate all his business processes, and provide accurate and real-time data. In June 2005, the company decided to put an end to the pain by implementing SAP Business One with the help of partner Berlian Sistem Informasi.

With SAP Business One, the company's business operations are now seamlessly integrated and highly-accurate reports are generated. Together, these serve as a tool for Zyrexindo to accelerate sales, improve the quality of their products and enhance customer service.

SHIN KONG MITSUKOSHI RUNS SAP.



Industrial Machinery & Components

Singapore

Industrial Machinery & Components

PATRONICS ENHANCES CUSTOMER SERVICE LEVELS USING mySAP ALL-IN-ONE

Patronics (S) Pte Ltd was previously using two separate IT systems that could not provide easy access to sales and product information, limiting their ability to deepen relationships with customers. It chose mySAP™ All-in-One and has achieved higher customer satisfaction in addition to greater integration and efficiency across the company.

Service management forms a core part of the business for Patronics (S) Pte Ltd, a marine electronics distributor. The company does more than sell navigation and radio communications equipment. It acts as a complete solutions provider of marine equipment, offering installation and after-sales services as well.

As part of its growth strategy, Patronics had plans to expand into the region and diversify its portfolio. In order to do so, the company first needed to improve its customer service levels. However, Patronics found itself increasingly limited in its customer service capabilities.

"We knew of SAP's good reputation and were impressed with the wide range of functions available on mySAP All-in-One, especially its scalability and customer service component."

Mr. Yeong Kin Fai, Deputy Managing Director, Patronics

The company was previously using two separate IT systems, customised to support its accounting and warehouse management functions. Staff did not have easy access to sales and product information, and could not respond to customers' enquiries in a timely manner. They were also unable to monitor their clients' purchasing history effectively.

AT A GLANCE

Website:
- www.patronicsgroup.com

Key Challenges:
- Disparate systems led to inefficiency and poor visibility of business operations
- Lacked the ability to respond quickly to customers' enquiries
- Old systems unable to support company's expansion into the region

Project Objectives:
- Implement a centralised system for greater visibility of all business processes
- Develop a scalable system in line with the company's growth plans
- Improve management of accounts and customer database
- Increase customer satisfaction and competitive edge

Solutions & Services:
- Elocity, a preconfigured solution of mySAP™ All-in-One
- Modules implemented include Financials and Cost Controlling, Sales and Distribution, Materials Management and Customer Service

Why SAP Solution:
- SAP is an established and reliable brand name
- Fulfilled all of Patronic's requirements – a centralised system with a strong customer service component and scalability
- Strong industry knowledge and experience of Electra, SAP's channel partner

Implementation Highlights:
- System implemented in two and a half months

Key Benefits:
- Increased efficiency in workflow processes
- Better credit management
- Ability to monitor employees' working hours and production levels
- More accessibility to revenue and profit reports
- Ability to identify sales opportunities based on existing customer database

Channel Partner:
- Electra (S) Pte Ltd

In addition, management had little visibility of the business to make informed decisions. All these hampered potential sales opportunities and affected customer satisfaction.

Patronics also found that the old IT systems were not scalable, and unable to support the company's growth.

"We started looking around for a new business solution as we felt that our two IT systems were not supporting us well. This was especially so in terms of meeting our own needs and in the service level that we wanted to provide our customers with. Our previous systems could not deliver enough," explains Mr. Yeong Kin Fai, Deputy Managing Director, Patronics.

"We were surprised at how fast the whole implementation process was. It went very smoothly, with minimal hiccups and change management issues."

Mr. Yeong Kin Fai, Deputy Managing Director, Patronics

Integration And Scalability – The Deciding Factors

When Patronics considered a new IT solution, SAP stood out distinctively. All the functionality of mySAP All-in-One fit perfectly with Patronics' desire for an integrated and scalable system. At the same time, Electra (S) Pte Ltd, a SAP channel partner also demonstrated their deep knowledge of the Marine industry with Elocity, its preconfigured solution template of mySAP All-in-One for the Marine industry.

"We knew of SAP's good reputation and were impressed with the wide range of functions available on mySAP All-in-One, especially its scalability and customer service component," says Mr. Yeong.

Smooth-Sailing Implementation

To meet its immediate needs, Patronics implemented SAP Financials Accounting and Cost Controlling, Sales and Distribution, Materials Management and Customer Service modules in mySAP All-in-One.

With intensive training and Electra's comprehensive template based on industry best practices, the implementation process lasted a brief two and a half months. The system went live on 1 December 2005.

New Standards Of Service

With the help of mySAP All-in-One, staff at Patronics have now found greater confidence and ease in serving their customers. The integrated system gives them real time access to consolidated inventory, sales and financial information, enabling them to respond to customers more effectively and in a timely manner. The SAP solution has also helped to support Patronics' customer database, allowing the company to keep track of its clients for potential business opportunities.

"Using our up-to-date database, staff are now more aware of our customers' purchase and maintenance history and know exactly when the respective equipment is due for servicing. The SAP system gives us alerts and this way, our customers can be attended to accordingly and on time," explains Mr. Yeong.

Patronics can also identify future sales opportunities. Sales personnel are now able to see which customers may need to upgrade their equipment and can then target their marketing efforts accordingly.

Overall efficiency within Patronics has also increased. The centralised system ensures that information across the

business is available to management, not just as raw data, but also detailed reports. Through these reports, management can gain a clear view of revenues and costs, and the performance of the business. One key benefit is better credit management, allowing greater visibility and control of the company's financial position.

"We are very pleased with mySAP All-in-One. It has improved the way we run our business, enabling us to be more organised and efficient."

Mr. Yeong Kin Fai, Deputy Managing Director, Patronics

In addition, Patronics has also gained savings by switching to issuing paperless invoices. Since all information is available in the SAP system, the workflow is more streamlined as employees do not need to print out their sales invoices for filing purposes.

Finally, mySAP All-in-One also serves as a means for the company to effectively keep track of the employees' work hours and productivity levels, which in turn can be tied to their salaries. This allows for greater transparency between the company and employees, resulting in fewer disputes.

Equipped For The Future

With the implementation in Singapore complete, Patronics is now exploring a regional roll-out to its offices in Thailand and China in the near future. The company also intends to leverage on SAP's solutions for its expansion plans within the region.

"Given the success of the SAP system in Singapore, we want to make sure that we can also implement SAP in any other businesses that we plan to enter in the future. I believe that SAP will be able to help us achieve our strategic goals," says Mr. Yeong.

China

Industrial Machinery & Components

SAP MEASURES UP TO WELLTECH'S STANDARDS

Shanghai Welltech Automation Co., Ltd. upgraded to mySAP™ All-in-One to work towards becoming a top producer in China. mySAP All-in-One has helped to streamline its business processes, reduce inefficiency and inconsistency, and get accurate data for decision making.

Shanghai Welltech Automation Co., Ltd. (Welltech), a mid-sized equipment provider and system integrator of industrial automation instruments that measure pressure, flow and temperature, has faced major challenges to achieving its goal of becoming one of the top three producers in the domestic market.

"We knew Welltech could benefit from SAP's professional guidance. SAP is a trusted vendor which is innovating for the long-term. It also has a large team offering dedicated professional services."

Mr. Shu Yi, Project Manager, Shanghai Welltech

While the company had already developed its own information management system in 2000, the system did not integrate independent sources of data into consolidated, coherent information. Information such as for bills of material (BOMs) had to be transmitted manually between different business departments, allowing discrepancies to mount as the information progressed through various workflows.

Data Inconsistencies Create Inefficiency

At the same time, both items and customers could be assigned different identification numbers at different points in the sales or production cycle. These numbers were easily confused at the financial accounting phase, leaving Welltech to deal with problems like payments which were sent to the

AT A GLANCE

Website:
- www.welltech.com.cn

Key Challenges:
- Lack of visibility into the business made forecasting difficult
- Departments were not integrated, so data inconsistencies and confusing instructions were common
- Complex serial number tracking led to mistakes and unhappy customers
- High manual precision required for production process, especially with custom orders

Project Objectives:
- Wanted a system to integrate data from all departments and allow it to be shared
- Required better visibility of the business
- System had to introduce make-to-order and make-to-stock manufacturing

Solutions & Services:
- mySAP™ All-in-One

Why SAP Solution:
- SAP has a long-term vision for innovation
- SAP has a lot of professional services resources
- mySAP All-in-One is powerful and scalable
- mySAP All-in-One meets Welltech's unique needs and also supports requirements specific to the vertical industry

Implementation Highlights:
- Completed in five months

Key Benefits:
- Business processes have been re-engineered and workflows integrated
- Data input processes streamlined and constantly updated
- Critical reports can be generated immediately, leading to effective decision making
- Responsibilities for each department and shared resources now clearly defined
- Introduced make-to-order and make-to-stock procedures which in turn saved time and money
- Inventory management more efficient, stagnant inventory stocks eliminated
- Manual work for custom orders now automated

Channel Partner:
- Shanghai Hand Enterprise Solutions Co., Ltd.

Existing Environment:
- System developed in-house

Hardware:
- HP 570

Operating System:
- Windows 2000 Advanced Server

wrong party, or invoices billing the wrong amounts. Similar mistakes had led to manufacturing the wrong product for clients, resulting in a growing stagnant inventory problem, delayed delivery times, and unhappy customers.

The largely manual operations across the company meant that many costs could not be calculated effectively. Welltech's existing system could not update requests like order cancellations in real-time, so precise sales figures were impossible to obtain. Similarly, Welltech could not obtain comprehensive breakdowns of warehousing operation costs or expenditure on research and development. Its management effectively had to work blind to make key decisions on product pricing, new products, or organising marketing activities.

Paradoxically, Welltech requires pin-point accuracy for product assembly. A change to just one part could lead to a product that does not work, or the transformation of the original into another product entirely. Welltech needed to rely heavily on technicians working manually to avoid such errors. Product customisation was extremely complex, as technicians had to manually develop the manufacturing strategy for each item.

Wanted: Industry-specific Integration

Welltech finally decided to reduce its risks with a more powerful solution for its business in late 2004, and specified that it required a system that would integrate all aspects of production, from purchase order to warehousing, production and sales. The system had to provide clear visibility throughout the business, with information easily shared across departments. It had to offer flexibility in dealing with BOMs, and support both make-to-order and make-to-stock manufacturing. Finally, the system had to allow all activities to be reflected in an integrated accounting system, and support accepted accounting standards.

"We can now generate all kinds of statistical reports at any time. This has allowed the company to clearly define the responsibilities for every department and exactly what resources they share between them."

Mr. Shu Yi, Project Manager, Shanghai Welltech

Welltech found that all of its requirements were easily addressed by SAP All-in-One, which was recommended by SAP partner Shanghai Hand Enterprise Solutions Co., Ltd (Hand).

"We knew Welltech could benefit from SAP's professional guidance," explains Mr. Shu Yi, Project Manager, Welltech. "SAP is a trusted vendor which is innovating for the long-term. It also has a large team offering dedicated professional after-sales and support services."

Mr. Shu also noted that mySAP All-in-One is both powerful and scalable. "mySAP All-in-One meets both industry-specific requirements and our own unique needs," he adds.

With Hand's help, the system, featuring the Finance, Cost Accounting, Materials Management, Sales and Distribution and Production Planning modules, was installed in just five months.

Stronger, More Efficient Company

Primed with SAP's methodology, Welltech was able to easily identify and resolve weaknesses in its operations both during and after the implementation, enabling it to manage its operations more systematically and efficiently.

Management now has a clear overview of the company's operations, which enhances Welltech's ability run effectively and stay ahead of the competition. The status of business operations is clear, and reliable, up-to-the-minute reports can be requested at any time. Welltech's accountants, in particular, no longer spend their days struggling with

book-keeping, as costs are now automatically billed as required. They take a hands-on role in predicting and managing corporate risks instead.

"We can now generate all kinds of statistical reports at any time, including stock verification against orders, production goods receipts, and inventories of raw material. This has allowed the company to clearly define the responsibilities for every department and exactly what resources they share between them," says Mr. Shu.

The business-wide integration of operations has also allowed Welltech to deal with the problem of stagnant inventory once and for all. Production times and delivery dates are accurately forecast, reducing the risk of overstocks and effectively allocating expenditure. mySAP All-in-One has prevented the further creation of stagnant stock, and allowed Welltech to successfully dispose of about RMB1 million's worth of existing stock in finished products through fulfilling new orders, or by sending it for recycling.

"mySAP All-in-One not only allows product specifications to be changed, but will also automatically generate new costings and BOMs in tandem with the changes."

Mr. Shu Yi, Project Manager, Shanghai Welltech

Instant Updates, Automatically

Additionally, customer and order details have been streamlined and are entered just once into the integrated system, allowing all departments to access a single view of the business. In addition, changes made can be immediately reflected throughout the system.

The company highlights serial number management and the full configuration capability provided by mySAP All-in-One as particularly helpful. "mySAP All-in-One not only allows product specifications to be changed, but will also automatically generate new costings and BOMs in tandem with the changes," says Mr. Shu.

The production process has become much smoother, too. mySAP All-in-One can automatically perform product analyses and breakdowns to generate BOMs and production process descriptions. Manual analysis of customised orders is no longer required. The production subsystem not only automates this process, reducing human error, but also records the manufacturing and assembly strategy and is able to leverage on it to handle future orders.

Goals Well Within Reach

Welltech's success so far has only encouraged it to introduce more modules into its system. The company is planning to include business processes such as quotation management, purchase request and approval, and purchase planning into the mySAP All-in-One system, placing it firmly on the way to being a top-three domestic player.

F&N RUNS SAP.

F&N
OUTRAGEOUS ORANGE
Yoplait
F&N
Teh
AUSTRALIAN
Susu Istimewa Pekat Manis
Sweetened Condensed Filled Milk
Coca-Cola
hayati citarasa

SAP'S ERP SOLUTION BRINGS EFFICIENCY AND REAL-TIME VISIBILITY TO ASTRUM

As Astrum Technologies (Singapore) Pte Ltd grew, it found that the manual business processes had led to inefficiency and increased cost. The company chose SAP's ERP solution to streamline its business processes and create a centralised repository.

AT A GLANCE

Website:
- www.astrum.com.sg

Key Challenges:
- Manual business processes for sales, purchasing and human resources had become inefficient for the growing company
- Difficulties in consolidating invoices and other financial data for month-end account reconciliations
- Multiple applications were being used, leading to silos of data
- Information on resources, projects and inventory level was not readily available

Project Objectives:
- Wanted streamlined business processes and centralised data management
- Required data for effective decision making that could lead to better customer satisfaction and service

Solutions & Services:
- SAP's ERP Solution

Why SAP Solution:
- SAP functionality is in line with top management's goals
- SAP's ability to integrate information, people and business processes together
- Not much customisation or enhancement required

Key Benefits:
- Standard, transparent business processes
- Real-time visibility of corporate performance
- Centralised data across three countries, enhancing the collaboration and decision-making process
- Ensured business continuity even with staff turnover

As they grow, companies may need to grapple with the headache of handling obsolete equipment and components, or liquidating equipment should they relocate within or across countries. The good news is that there is often economical value in such assets if the right buyer can be found for them.

"There is no other platform that is as capable as SAP in its ability to integrate information, people and business processes so tightly together, and connect with legacy systems."

Mr. Sreerangan Kurup, Managing Director, Astrum Technologies

Singapore-based Astrum Technologies (S) Pte Ltd (Astrum), a 10-man asset management specialist with offices in India, Malaysia and Singapore, has honed asset liquidation to an art. The company focuses on acquiring, refurbishing and reselling used equipment, such as medical equipment, plastic injection molding, PCB assembly house, wafer fabrication and integrated circuits assembly hardware.

With multinational clients spread across the globe, and over 10,000 items of equipment managed each year, this 30-man multinational company was finding it a challenge to run its business across multiple applications that were not integrated to one another.

Manual Processes

Sreerangan Kurup, Astrum's Managing Director noted in July 2005 that inefficient and inadequate business processes had become a stumbling block for the expanding company.

Staff's productivity was affected as time was wasted searching for data residing in different applications. Astrum also faced difficulties consolidating invoices and other relevant financial data in order to perform month-end account reconciliations. In addition, information on the allocation of resources, projects and inventory level was not readily available, increasing user frustration.

"We were using Intuit's QuickBooks for capturing financial details and Microsoft Excel for reporting purposes. There was no system for sales, purchasing and human resources, especially on payroll and time management. All details were maintained manually by the staff," Mr. Kurup says. "The approach was very inefficient, which led to a lot of duplicated files and information. Manual data entry also led to operational errors."

After reviewing the solutions available, Mr. Kurup decided that SAP had the integration capabilities that were most aligned to its corporate vision.

"Astrum takes a global approach with mergers and acquisitions and SAP is a good tool that will help us achieve our objectives. There is no other platform that is as capable as SAP in its ability to integrate information, people and business processes so tightly together, and connect with legacy systems. These capabilities would support the business if we diversify or acquire new businesses," he adds.

Ensuring Long-Term Success

The company chose SAP's ERP Solution with an eye towards streamlining business processes, centralising management, as well as obtaining critical data for decision making. This will give Astrum the edge in strategic planning, eventually helping the company to increase customer satisfaction and provide better service, Kurup says.

Some of the staff were not comfortable with the new system initially but Mr. Kurup was committed to make the implementation a success.

"I told them that they have to get used to working with the SAP system. It gives us a good insight into customers' needs and whether we can deliver what they want. This will allow us to plan for the future and ensure long-term success."

Beyond Enquiry Tracking

Implementing SAP has helped Astrum to standardise its business processes on industry best practices, making them more streamlined and efficient. And with business-critical information residing on a centralised repository, it has taken the guesswork out of the decision-making process. This is especially critical for a company that has several branch offices to manage.

"The SAP system has helped us operationally and strategically," says Mr. Kurup. "With SAP's ERP solution, month-end activities can be done properly, and we know what our bottom line is and where our business is heading. Furthermore, I can monitor and manage the performance of different branch offices from a central location, which is a more productive way of operating."

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Mr. Sreerangan Kurup, Managing Director, Astrum Technologies

The new SAP system has also improved data integrity and enhanced collaboration by allowing staff to update and share information via a centralised platform. This standardised way of operating has also eliminated problems when an employee leaves the company.

Enhancing For The Future

In fact, the company was so pleased with the benefits reaped with the mySAP Business Suite that it decided to add more functionality into the system. In April 2006, Astrum started adding supply chain management (SCM) and Enterprise Portal functionality to the SAP system, and it intends to have a business-to-business (B2B) portal up and running in three months. This portal will be connected to the company's internal inventory management system to which customer's inventory data can be uploaded directly.

"This new capability will make it easier to manage our supply chain," says Mr. Kurup. And through this business exchange portal, customers will be able to look at the assets available and bid for them, with the bids automatically updated into the system as enquiries. "Clients can also check items consigned to us, what the status is and what sales are like."

mySAP ALL-IN-ONE WHEELS OUT MORE EFFICIENCY AT DILOK & SONS

Dilok & Sons Co., Ltd. required an integrated system to remove inefficiencies in its workflow and become more competitive. mySAP™ All-in-One has allowed the company to offer better customer support, and run more effectively and flexibly in general.

AT A GLANCE

Website:
- www.dilok-ap.com

Key Challenges:
- Organisational structure did not enable effective information sharing
- Inconsistent and incomprehensive business reports
- Could not track transactions from different branches accurately
- Lack of online support
- Customers not supported well

Project Objectives:
- Needed an integrated system to produce accurate, consistent data for effective internal communication and decision making
- Introduce online support to develop customer service and customer credit approval mechanisms

Solutions & Services:
- mySAP™ All-in-One

Why SAP Solution:
- SAP is a well known brand
- SAP makes leading ERP solutions
- mySAP All-in-One supports global standards
- mySAP All-in-One supports co- servicing jobs and customer credit approvals

Implementation Highlights:
- Implementation took six months
- All modules except Production Planning (PP) were implemented
- Implementation featured customisation of customer service and included a claims system for maintenance and repair

Key Benefits:
- Integrated system
- High staff satisfaction and motivation
- Introduced more services, including customer credit approvals
- Rolled out online system support for all branches
- Accurate handling of transactions, including for inventory
- Ability to service job opportunities from upcountry branches

Channel Partner:
- ISS Consulting Co., Ltd.

Database:
- SQL

Hardware:
- IBM

Operating System:
- Microsoft Windows 2003 Server

Dilok & Sons Co., Ltd. (DSL), which sells forklift trucks, tow tractors, sweepers and other machinery, has always made efficiency and consistency key to its success. The company is already in the top five of the Thailand market for its industry, and coordinates five branches and two service centres in upcountry Thailand, with more facilities expected to come.

"We found it imperative to fix our problems by implementing mySAP All-in-One in order to attain maximum efficiency."

Mr. Boonchuoy Kulmongkon, Managing Director, Dilok & Sons Co., Ltd.

Lack of Integration Slows Company Down

DSL's in-house existing system did not share or consolidate information from different departments, leading to multiple copies of data and inaccurate reports that took much time to prepare. The company's management thus lacked visibility into the business, and took a long time to formulate decisions which were not based on the actual status of the company. The same lack of integration did not allow efficient communications across the different branches, and transactions could not be tracked effectively across the company.

Doing business with the old system took up a lot of time. DSL's staff were concentrating so much on carrying out minor administrative tasks that they could not focus on the customer as much as they wanted.

Solving Inefficiency is Key

The company finally decided that it had to upgrade to a solution that could both integrate corporate information across departments and streamline workflow better.

"We are confident that we can now focus on more strategic areas of our business such as customer service and gain an even better foothold in the industry."

Mr. Boonchuoy Kulmongkon, Managing Director, Dilok & Sons Co., Ltd.

"We found it imperative to fix our problems by implementing mySAP All-in-One in order to attain maximum efficiency," shares Mr. Boonchuoy Kulmongkon, the Managing Director of DSL.

According to Mr. Kulmongkon, SAP won over other competing solutions because it could satisfy all of DSL's business requirements. He notes that SAP is a well-known brand and leads in ERP. The support for global standards, scalability, and accurate report data in mySAP All-in-One were also pluses.

DSL found the implementation experience very smooth. It liked the importance that SAP placed on key business requirements and user training, which helped to ensure the success of the project.

More Versatile and Competitive

Implementing mySAP All-in-One has provided DSL with a single integrated platform and consistent workflow. Accurate data reports have enabled DSL's management to make effective decisions more quickly and with greater confidence.

DSL has also increased its flexibility to run its business processes efficiently and coherently, especially with add-on functionality like online support, customer credit approvals, transactions which are tracked closely, and the ability to service job opportunities at its various upcountry branches.

The richer system has led to a more competitive DSL. With less time spent on the system, employees can now focus on more strategic areas, such as customer satisfaction.

More in Store for the Future

DSL has been so satisfied with mySAP All-in-One that it intends to add more users when it opens a branch in Jakarta, Indonesia.

SMPV REVAMPS COMPETITIVENESS WITH SAP

Shanghai Morimatsu Pressure Vessel Co., Ltd. needed to resolve the frequent internal conflicts its departments encountered. mySAP™ All-in-One has streamlined its operations and ensured that there is only one view of the company, allowing effective decision-making and cost management.

AT A GLANCE

Website:
- www.morimatsu.com.cn

Key Challenges:
- Needed to manage increasingly complex operations after multiple restructurings
- Departments had standalone systems that were incompatible
- Poor communications led to conflicts that played havoc with production and operational workflow
- Technical database is massive as product portfolio cannot be standardised

Project Objectives:
- To simplify operations management
- To integrate information across departments and ensure it is consistent and instantly available
- To ensure that all products can be supported within the system

Solutions & Services:
- mySAP™ All-in-One, Production Planning, Materials Management, Sales and Distribution, Financial Management and Cost Control modules implemented

Why SAP Solution:
- SAP has a lot of experience in many fields around the world
- mySAP All-in-One combines SAP's best practices with powerful management functions

Implementation Highlights:
- Dedicated personnel assigned to focus on materials management and production planning
- Actual implementation was complete in three months

Key Benefits:
- Can handle growth without dealing with the complexity of the structure
- Departments are clear about hierarchy and responsibilities
- Integrated information is instantly available and offers a single view of the company
- Better cost control through more realistic planning and replenishment strategies
- Changes are instantly updated and discrepancies are flagged early

Channel Partner:
- Shanghai Hand Enterprise Solutions Co., Ltd.

Hardware:
- Dell 6600

Operating System:
- Windows 2000 Server

China's growing economy has been good to Shanghai Morimatsu Pressure Vessel Co., Ltd. (SMPV). The company, which manufactures a wide range of machinery for multiple industries, reported an annual turnover of RMB800 million at the end of 2005 and projected yearly growth of 30% for the future.

Such rapid growth has been the impetus for this wholly-owned subsidiary of Japan Morimatsu Industry Co., Ltd to restructure several times over. As more and more departments have been created for efficiency's sake, internal operations have become more complex. SMPV has had to manage more departments and staff, and emphasise close communications and coordination between them.

"mySAP All-in-One combines SAP's best practices with powerful management functions that can fully satisfy our requirements for manufacturing, operations, and warehouse management."

Mr. Li Daoquan, Head, ERP project team, Shanghai Morimatsu Pressure Vessel Co., Ltd.

SMPV's stellar growth also put pressure on its IT infrastructure. Each department chose its own IT systems, which had led to incompatible platforms across departments that could not communicate with each other. The financial department, for instance, used commercial

software, whereas the procurement and storage sides had developed their own solutions in-house.

The lack of information integration had already led to conflicts in resource management. For example, different departments would not be aware of competing claims on a component they required because SMPV's systems were not integrated. This would lead to negotiations, last-minute orders for the part, and other disconnects that in turn caused delays to overall production and operation workflows.

Unique Manufacturing Challenge

SMPV decided that it could only sustain its growth if it re-engineered itself with technology. It wanted a solution that could streamline its increasingly complex corporate management requirements and at the same time overcome the poor in-house communications resulting from its information silos.

With its customers coming from a wide range of industries, each product manufactured by SMPV requires a unique manufacturing approach, production processes and standards included. Therefore the re-engineering effort would be massive, considering bills of material (BOMs), supply chains, and production processes for each product would all have to be reconfigured.

Full Confidence in SAP

After discussions with SAP partner Shanghai Hand Enterprise Solutions Co., Ltd. (Hand), SMPV decided to use mySAP All-in-One for its business transformation.

"SAP has a lot of successful experience in many fields around the world," explains Mr. Li Daoquan, Head of SMPV's ERP project team. "mySAP All-in-One combines SAP's best practices with powerful management functions that can fully satisfy our requirements for manufacturing, operations, and warehouse management."

Work began long before the actual implementation from February to June 2005. With materials accounting for 70-80% of the total cost in the pressure vessel industry, it was clear that the success of mySAP All-in-One would depend on how well it could control and manage materials. SMPV therefore focused on the materials management and production planning modules right from the start, and had dedicated personnel assigned to this aspect of the project.

A lot of effort also went into preparing the data for the new system. The technical processes for each item in SMPV's product portfolio, warehouse and logistics data as well as picking lists all had to be entered into the information system. The technical database input alone took three people a whole month to complete.

"SAP has a lot of successful experience in many fields around the world. mySAP All-in-One combines SAP's best practices with powerful management functions that can fully satisfy our requirements for manufacturing, operations, and warehouse management."

Mr. Li Daoquan, Head, ERP project team, Shanghai Morimatsu Pressure Vessel Co., Ltd.

Quality Information Enhances Operations

SMPV has become more productive since the project went live in July 2005. mySAP All-in-One has ensured that SMPV gets consolidated information in real-time, allowing SMPV to handle an increasing number of orders and workshops while bypassing the complexity of its internal structure.

Each department understands how it works in relation to other departments within the product cycle, from order placement to planning and final completion.

"All relevant information from each department can be reflected in real-time in the IT system. All silos have been integrated, so there is better cost control," adds Mr. Li.

The single view of information has enabled more systematic planning, which has in turn contributed to effective cost management. Planners only need to log onto the system to get consistent and detailed information about the items they need, such as manufacturing requirements, warehouse status, and which departments are involved. Plans are thus more realistic and can be executed more readily.

Accurate material requirement calculations coupled with precise replenishment strategies have resulted in cost savings as well. As different departments perform materials planning, mySAP All-in-One automatically adjusts the inventory, so there are no conflicts in resource management.

At the same time, the number of items actually used in production is reflected in specific picking lists. The management can immediately be informed of discrepancies, catching problems before they become major.

"After using mySAP All-in-One, we significantly improved our information-sharing capabilities. Communication between departments is now easy and effective. SAP has clearly provided us with a powerful platform for business expansion and cost reduction," says Mr. Li.

SAP Figures in Company's Future

In the future, SMPV plans to refine the cost control component further. In the next phase, the system will cover all the parts and assembly for each product, so that projected production costs can be made accurate right down to the component level. The system will allow SMPV to develop different cost options according to customer requirements, thus enhancing its competitiveness.

Another follow-on project will improve SMPV's design capabilities. Secondary development for graphic engineering design is to be integrated with mySAP All-in-One so that the entire production design process will be performed within the system.

"After using mySAP All-in-One, we significantly improved our information-sharing capabilities. Communication between departments is now easy and effective. SAP has clearly provided us with a powerful platform for business expansion and cost reduction."

Mr. Li Daoquan, Head, ERP project team, Shanghai Morimatsu Pressure Vessel Co., Ltd.

SMPV also intends to build mySAP All-in-One into completely new premises. Its new factory, which will be twice as large as the existing one, will have mySAP All-in-One installed before it opens its doors.

BARMAG MACHINERY WALTZES IN STYLE TO SAP BUSINESS ONE

Beijing Barmag Machinery, a joint venture company of Germany-based Saurer, specialises in spinning and texturing systems and the production of components such as take-up heads, pumps and godets. SAP® Business One was chosen to upgrade its legacy enterprise system and was implemented within 4 months.

AT A GLANCE

Solutions & Services:
- SAP® Business One

No. of Users:
- 30

Length of Implementation:
- 4 months

Channel Partner:
- Beijing AVA Technology

Database:
- Microsoft SQL Server 2000 Service Pack 3

Hardware:
- Dell 2850

Operating System:
- Microsoft Windows 2003 Server

After Saurer, a manufacturer of spinning, texturizing, twisting and embroidery systems, called for its subsidiaries worldwide to raise internal control capabilities, Beijing Barmag Machinery decided to upgrade its legacy enterprise systems to meet the stringent audit requirements. This also offered a good opportunity for the China-based company to integrate both finance and logistics departments to enable information sharing and collaboration.

Although Saurer was eager for Barmag to implement SAP R/3, SAP Business One was selected instead due to its functions that were more suitable for its business scope and budget. Furthermore, it can be integrated with the SAP R/3 system in its German headquarters easily.

> **"SAP Business One has high value for money. It has provided solutions that address our operational needs within a very reasonable budget. Its high degree of flexibility and scalability means that we now have a greater potential for growth."**
>
> Mr. Yang Rong, Chief Financial Officer, Beijing Barmag Machinery

During the implementation process, Barmag conducted a business process re-engineering (BPR) exercise to realign existing operational processes with industry best standards so as to optimise business efficiency and performance.

With SAP Business One in place, Barmag's management now has real-time access to timely and accurate reports, thus improving the decision-making process. The system also reduced inventory levels by almost 50 percent and established a standardised and more transparent management style that allows Barmag to identify business pain points easily.

XINHE ME EMBRACES SAP TO OVERCOME OPERATIONAL SHORTCOMINGS

Established in 2000, XinHe ME is a distributor of electrical parts and technical services for complex machinery and is based in Guangdong, China. SAP® Business One was chosen to overcome operational shortcomings and the solution was implemented within one month.

AT A GLANCE

Solutions & Services:
- SAP® Business One

No. of Users:
- 5

Length of Implementation:
- 1 month

Channel Partner:
- Tsinghua Unisplendour

Database:
- Microsoft SQL 2000 Server

Hardware:
- Dell PowerEdge 1600SC

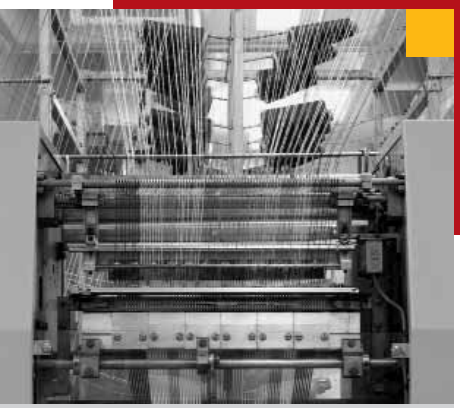
Operating System:
- Microsoft Windows 2000 Server and Windows 2000 Professional

Using manual methods to track inventory and manage book-keeping, customer records and after-sales service might have seemed like a good idea for a young company like Dongguan XinHe Mechanism and Electrical Equipment (XinHe ME) initially.

> **"Although we do not have a very large annual turnover, I am willing to invest in SAP Business One. This will put us in good stead for the future."**
>
> Mr. Lu Qiuyan, General Manager, Dongguan XinHe Mechanism and Electrical Equipment

However, as its product and customer base grew, the electrical parts and technical services provider realised that it needed a more sophisticated and efficient way of managing its operation. The increasing prevalence of human errors often resulted in sales order and stock data discrepancies, which increased XinHe ME's operational risks and costs. After considering its options, XinHe ME decided to turn to SAP Business One to improve business efficiency and prime itself for future growth.

Among the benefits the company reaped is a marked improvement in inventory management. Information on actual product sales can now be easily traced and obtained from the system, enabling management to rank the profitability of each item. Serial numbers are also assigned to individual product parts during the implementation process, facilitating inventory and after-sales management. The real-time availability of sales transaction data allows accounting staff to conduct credit checks, and accurately manage cash flow and receivables.



SAP DELIVERS A WELL-OILED ENTERPRISE PLATFORM FOR SHANXI YUCI

Shanxi Yuci focuses on research and development, and manufacturing of textile machinery and equipment. SAP® Business One was chosen to enhance control over its business operations with lean implementation time of only 40 days.

AT A GLANCE

Key Challenge:
- Lacked an enterprise management system to sustain and propel growth into the future

Solutions & Services:
- SAP® Business One

Length of Implementation:
- 40 days

Key Benefits:
- Standardised handling and processing of materials data
- Enhanced control over business operations
- Eliminated discrepancy between inventory levels in the system and actual stock in the warehouse
- Improved internal communication

Channel Partner:
- Deyuan Technology Consultancy, Taiyuan

Headquartered in Shanxi's Yuci Economic Development Zone, China, Shanxi Yuci Development Areabeisite Machinery Manufacture Co. Ltd is an assembly-styled production company that manufactures thousands of different types of spare parts for its clients. As a result, it has a complex bill of materials (BOM) structure that must be carefully managed to avoid unnecessary cost. But as the company grew, management soon realised that a scalable and user friendly enterprise management system was necessary if they wanted to sustain and propel its growth well into the future.

> **"Working with SAP exposes us to industry best practices to manage our business. We believe SAP Business One is well worth the investment and by next year, we should be embarking on mySAP All-in-One."**
>
> Mr. Sang Jianzhong, Chief Executive Officer, Shanxi Yuci Development Areabeisite Machinery Manufacture Co. Ltd

SAP Business One matched Shanxi Yuci's business requirements and is used to standardise handling and processing of materials data, and enhance control over business operations. The SAP solution elimins discrepancy between inventory level in the system and actual stock in the warehouse. Internal communication improved as well.

Lifescience

Australia / New Zealand

Lifescience

TROY LABORATORIES STREAMLINES PRODUCTION AND REDUCES BACKORDERS 95 PER CENT WITH SAP BUSINESS ONE

Troy Laboratories is an Australian manufacturer of animal health products supplying the local and international market. In 2004, Troy Labs realised its ongoing success was being hampered by its ageing core IT systems. It chose SAP® Business One to help the business grow into the future.

For more than 45 years, Australian company Troy Laboratories has been developing and manufacturing a range of products for the veterinary industry. This includes everything from nutritional and skin care preparations to antibiotics and tranquillisers, enabling vets to treat and cure animals, from the sick family dog to a herd of cattle.

From its Sydney-based manufacturing and laboratory facilities, the company has expanded to the point where it now supplies some 150 products throughout Australia and to more than 28 countries around the world. Annual turnover has reached US$10 million.

"Overall SAP Business One allows us to have much better management of the company. We have streamlined our production planning and can track sales and orders virtually in real time."

Mr. Ian Saunders, General Manager, Troy Laboratories

In 2004, Troy Labs realised its ongoing success was being hampered by its ageing core IT systems. The company had been using a Sage accounting package and a range of standalone and manual systems to support its manufacturing and distribution processes.

After considering a number of software packages, Troy Labs selected SAP Business One from SAP, working with technology partner Evolution Software Services.

AT A GLANCE

Website:
- www.troylab.com.au

Key Challenges:
- Excessive backorders
- No MRP system
- An operating system that was unfriendly to casual users
- Loose integration of software systems throughout facility
- Paper based production planning system
- A system that had no technical support

Project Objectives:
- Implement a system that was integrated across the business
- Implement an effective MRP system to ensure B/O order were kept to less than 5% of monthly turnover
- A solution that would integrate easily with existing technology
- A system that would grow with the business and was technically supported
- A solution that was targeting a company of Troy Labs' size
- Ability to buy total package

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Technical support
- Ease of use
- Trusted name

Implementation Highlights:
- Implemented on time and within budget
- Technical support was excellent
- Problems that were highlighted were addressed promptly
- The solution was 95% fully operational within 6 months

Key Benefits:
- Quality branded product
- Lowering of backorder number
- Quality production planning
- Quality purchasing information

Channel Partner:
- Evolution Software Services

Database:
- Relation Database + Excel

Hardware:
- IBM

Operating System:
- Microsoft Windows XP

"The improvements following the implementation of SAP Business One have enabled us to reduce backorders from US$300,000 to around US$15,000 - that's a 95 per cent reduction. Sales have also increased and the company is on track to continue its expansion into new markets," said Troy Laboratories general manager Ian Saunders.

The lack of a manufacturing resource planning (MRP) system meant operations were effectively running on a back-order system, which made it difficult to meet all customer demands. Relying on manual systems also left the door open for mistakes.

"Raw materials have different lead times, and so we would have to create artificial purchase orders to ensure they would be delivered and production scheduled," according to Mr Saunders. "This was far from ideal as we were operating with hundreds of thousands of dollars in back orders all the time."

Mr Saunders said the veterinary supplies industry was very competitive. As well as other Australian manufacturers, the company had to deal with competing products flowing in from places such as Asia and Ireland.

"This means our processes have to be as streamlined and efficient as possible," said Ian Saunders. "We can't afford to lose market share because it takes a very long time to get it back again.

With SAP, internal processes have become more efficient with information needing to be entered only once. Rather than using manual systems to record the arrival and usage of raw materials, these are now entered directly into SAP Business One.

"SAP Business One appealed to us because we could see it would need very little customisation to fit our operations," he said.

"I had been involved in a previous implementation with software from a different vendor where a large amount of customisation was needed and it became a complete nightmare. I didn't want to experience that again."

"We now say to anyone who wants to sell us software that it must be able to talk to SAP Business One. If it can't do that, then we are not interested in looking at the product."

Mr. Ian Saunders, General Manager, Troy Laboratories

The Troy Labs implementation project was completed on time and within budget.

"The support given by Evolution was critical to the project's success," he said. "It is vital to have people working with you who know the software and can overcome any issues that might arise."

SAP Business One now supports a range of company processes including MRP, accounting, customer and production management and forecasting.

"Overall, it allows us to have much better management of the company," said Mr Saunders. "We have streamlined our production planning and can track sales and orders virtually in real time."

Working with Evolution, Troy Labs has also integrated SAP Business One with new laboratory management and dispensary applications. This helps to further streamline operations by allowing the exchange of data between the systems.

Future plans include the creation of a range of reports for the company's seven-strong sales team. These will provide details on customer orders, pricing and the status of back orders.

"This will help us accurately track who has been working on which particular batches of products and ensure quality levels are maintained."

Mr. Ian Saunders, General Manager, Troy Laboratories

Mr Saunders said work was also progressing on a tracking system which could record when people entered the labs facility and correlate that with requests for raw materials that had been entered into SAP Business One.

"This will help us accurately track who has been working on which particular batches of products and ensure quality levels are maintained," he said.

Troy Labs is now confident it has the systems in place that will allow it to continue providing the very highest quality veterinary products on the market.

SAP BUSINESS ONE FILTERS OUT ACCOUNTING DELAYS FOR SARTORIUS BIOTECH

Sartorius Korea closes its books more quickly after implementing SAP® Business One. The solution also integrates data from various departments, providing easy access to reliable, accurate data for better decision making.

AT A GLANCE

Website:
- www.sartorius.com

Key Challenges:
- A different system was used for each business division
- Lack of information and control of bill collection, as books could only be closed after the 15th of the following month
- Business activities concentrated at certain peak periods, and hence overloading the system

Project Objectives:
- Establish standard, integrated business processes
- Better management of profit and loss
- Allow rapid book closing
- Get a system that could handle occasionally heavy loads

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP Business One supports effective profit and loss management

Implementation Highlights:
- Implementation was completed within two months, for three professional and four CRM sales users

Key Benefits:
- Established automated business processes for the company
- Integrated data from various departments, such as logistics and finance
- Accurate data could be easily retrieved and analysed, allowing better decision making and enabling better inventory tracking and profit and loss management
- Books can be closed between the second and third day of the following month – two weeks earlier than before

Channel Partner:
- BSG One Co., Ltd.

Sartorius Group, a Germany-based multinational corporation and leader of biotechnology and mechatronics, plays at the forefront of biotechnology with the sale and manufacture of laboratory and special process filters, as well as laboratory and industry balances. Its sales subsidiary in Korea, Sartorius Korea, understands the need to be extremely competitive in a field where the only constant is change.

"SAP has a variety of essential features for profit and loss management."

Mr. Won-Ju Park, Manager, Sartorius Biotech Korea Co., Ltd.

This need to lead was the impetus behind Sartorius Korea's decision to upgrade its business solution. The company had been deploying different systems for each of its business divisions. As the systems did not talk to each other, Sartorius Korea suffered a lack of visibility into company affairs that affected its competitiveness.

Bill collection was a particular problem. Company accounts took a long time to process, as the old financial system only allowed the books to be closed after the 15th of the following month. This hampered the timely collection of funds and meant that Sartorius Korea could not tell how well it was doing in real-time.

The company decided to shop for a solution that could support integration, provide accurate data and establish standard business processes, especially for accounting. It found that SAP Business One addressed its requirements best.

"Our company tasks tend to cluster around definite peak periods. We required an ERP system that could handle these occasional heavy loads. And SAP has a variety of essential features for profit and loss management," says Mr. Won-Ju Park, Manager of Sartorius Biotech Korea Co., Ltd.

"We are improving our business process efficiency with SAP Business One."

Mr. Won-Ju Park, Manager, Sartorius Biotech Korea Co., Ltd.

Integration Fosters Better Decisions

The introduction of SAP Business One solved Sartorius Korea's book-closing problem. Monthly settlements are now completed between the second and third day of the following month.

SAP Business One has also helped Sartorius Korea to become more competitive with automated business processes and consolidated data from various departments. Management now have easily retrieved, accurate data for analysis, allowing better decision making as well as profit and loss management.

"We are improving our business process efficiency with SAP Business One," says Mr. Park.

The company is so happy with SAP Business One that it is already planning to expand the system through the software development kit in the near future.

SAP BUSINESS ONE INJECTS EFFICIENCY INTO SEOULIN BIOSCIENCE'S OPERATIONS

Seoulin Bioscience, Inc. had to deal with largely unintegrated operations until it installed SAP® Business One, which has helped it make better decisions through easily available corporate data and manage its profit and loss better.

AT A GLANCE

Website:
- www.seoulin.co.kr

Key Challenges:
- Too little visibility into the business
- Legacy system could not be upgraded

Project Objectives:
- Better automate and integrate business operations
- Needed better information about the business
- System had to scale with growth

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Can grow with the company
- Can support global operations

Key Benefits:
- Business workflow much smoother
- More accurate reports allow profits and losses to be managed better
- Web Order System allows orders to be taken 24 hours and processes orders rapidly
- Will scale with Seoulin's growth

Channel Partner:
- Daebo System Co., Ltd

Seoulin Bioscience (Seoulin) Inc. has accumulated 20 years of experience in research equipment and reagents for global technology companies. The company is growing into a world-class bioscience specialist, but was being slowed down by an ineffective legacy system.

"SAP Business One provides a wide variety of essential features and offers data for analysis which is fundamental to the management of profit and loss."

Mr. Geol-Yong Choi, Director, Seoulin Bioscience, Inc.

The old system did not promote integration and required some tasks to be processed manually. The lack of integration led to a lot of redundancy in the workflow. It was also difficult to control and track orders and logistics, but upgrading the system was not viable.

More Organised Operations

Seoulin searched for a system that would support integration of its departments, automate its internal processes, and enable better visibility into the business at the same time. The system also had to scale as Seoulin grew.

The integration of accounting and logistics was an essential element of the new system. Seoulin also wanted a rapid order acceptance system.

The company decided on SAP Business One as the perfect solution. Seoulin particularly liked how SAP Business One would be able to process its increasing work volumes with the optimum number of people.

"SAP Business One has helped us successfully implement enterprise resource planning into our main office, enabling standard business processes for our operations."

Mr. Geol-Yong Choi, Director, Seoulin Bioscience, Inc.

Finance and Logistics Synchronised

Four months later, Seoulin had received the support it needed for its global operations.

"SAP Business One provides a wide variety of essential features and offers data for analysis which is fundamental for profit and loss management," says Mr. Geol-Yong Choi, the Director of Seoulin Bioscience, Inc.

All of Seoulin's departments, including finance and logistics, have been successfully integrated, enabling rapid book closing, simplifying inventory tracking and making it easy to keep track of cash flow. Seoulin also has a Web Order System that can handle orders 24 x 7, and more rapidly than previously possible.

With Seoulin's confidence in SAP Business One, follow-on phases are guaranteed. Plans are already under way to introduce the solution to Seoulin's upcoming international subsidiaries.

Logistics & Postal Services

Australia / New Zealand

Logistics & Postal Services

QUALITY SERVICE PROVIDER IPS LOGISTICS, SHIPS IN mySAP ALL-IN-ONE FOR BETTER BUSINESS

Queensland-based IPS Logistics Group specialises in the logistics of exporting grains, seed and other cargoes around the world. The company has successfully implemented an integrated mySAP™ All-in-One information systems platform to leverage improvements in quality and best practices.

Few businesses rely more heavily on quality than one specialising in the logistics of exporting grains, seed and other cargoes around the world.

Queensland-based IPS Logistics Group has successfully implemented an integrated mySAP All-in-One information systems platform to leverage improvements in quality and best practices at every level of its business.

"We considered several systems before selecting mySAP All-in-One, but many simply did not offer the level of integration we required. We wanted an end to end solution. The SAP solution was the most complete for our needs."

Mr. Abdul Gundru, Chief Financial Officer, IPS Logistics

IPS management committed to the investment after growing the business from a US$1 million cotton handling and warehousing operation into a US$30 million business distributing goods as varied as agribusiness staples to other manufactured products.

IPS Chief Financial Officer, Abdul Gundru, described the need for the improvements as being absolutely essential for a business which had such a reliance on quality. A big portion of IPS' business comes from agribusiness customers, who had to endure all sorts of hardships and challenges to simply receive their goods ready for export.

AT A GLANCE

Website:
- www.ipslogistics.com.au

Key Challenges:
- Revenue loss through "leakage" in existing system
- Out grown the existing system
- Lack of consistent processes followed by staff
- Eliminate high usage of disparate spreadsheet systems
- Remove duplication of data input
- Lack of integration with other systems

Project Objectives:
- Improve reporting capability
- Realise efficiency gains
- Ensure all information has been captured
- Ensure end-to-end process exists for each job
- Control workflow

Solutions & Services:
- mySAP™ All-in-One

Why SAP Solution:
- Well known brand
- Provides scope to grow
- Adoption of best practice processes
- Proven end to end solution
- Clear visibility of data

Implementation Highlights:
- Achieved stated goal of stemming revenue leakage
- Rapid close with integration and relevant reporting at month end
- Standardised procedures company wide
- Implementation of sales order creation program to automate invoicing and storage calculations

Key Benefits:
- Use effective controls inherent to the total solution
- Reporting and visibility of data
- Integrations between Logistics and Financials, Payroll, Asset Management
- Reduced the amount of spreadsheets used
- Improvement in accountability

Channel Partner:
- BDO Kendalls Technology

Database:
- MS SQL Enterprise Edition

Hardware:
- HP Proliant, IBM

Operating System:
- Microsoft Windows 2003 Server

"These customers rely on us to ship their goods without any headaches or problems," he said. "It's our absolute priority to achieve this without any disruptions, in the most efficient and effective manner, and most importantly without any refusals of the cargoes we ship."

"If for some reason our agribusiness containers, which could be carrying grains and seeds, are refused, they may not be allowed off the ship and will have to be shipped back to their originating port. This impacts everyone's bottomline in the short-term, but can be devastating for a business aiming to be unrivalled in logistics."

Mr. Gundru said IPS Logistics had recognised for some time that a substantial information systems platform had to be sewn into the fabric of the business, but finding a solution with sufficient capabilities at a reasonable price point was challenging.

"We considered several systems before selecting mySAP All-in One, many simply did not offer the level of integration we required," he said. "We wanted an end to end solution. We saw systems that might have had strengths in one area, but suffered shortfalls in others. The SAP solution was the most complete for our needs."

Mr. Gundru said IPS's legacy systems were simply not up to handling a US$30 million business. There was no integration between payroll, weighbridge, asset register, financials and logistics; they required significant manual entering of data; were difficult to support; offered time consuming reporting and inferior tracing and security.

Given these challenges, Mr. Gundru, who was the most senior executive responsible for the information systems upgrade, opted for the mySAP All-in-One solution from BDO Kendalls.

The solution includes Sales; Invoicing; Distribution; Procurement; Inventory Management; Warehouse Management; Financials and Sales Profitability Analysis; Internal Orders; Asset Management; Planning (Budget and Forecasting); Radio Frequency Mobile Device Data Capture and Interface.

"mySAP All-in-One was also attractive to us because of its scalability, which would allow the system to grow with us. It was a proven system from a proven supplier," Mr. Gundru said. "It also offered us a process to install the world's best practices into our business. Upgrading the business is not just about upgrading the technology."

Mr. Gundru said the technology would allow IPS to harness many advantages, empowering the business to do better.

"mySAP All-in-One was also attractive to us because of its scalability, which would allow the system to grow with us."

Mr. Abdul Gundru, Chief Financial Officer, IPS Logistics

"The reasoning was to deliver power and leverage to every critical area of operations. In some areas it might have been eliminating double entries; in most it was about providing us with greater controls. We opted to include mobile Radio Frequency technology to expedite and improve data capture and traceability," he said.

"Implementing and integrating all of these functions enriches our ability to deliver improved services to our customer base." Mr. Gundru said the system has already delivered improvements, such as massively reducing the time required for IPS's month end reporting. He said other, more significant, improvements were expected in the agribusiness harvest periods.

"We are now a business with a very powerful information systems platform, capable of supporting our plans to grow and more effectively service our customers," Gundru said. "Being a midsize business, we really could not have achieved

this without mySAP All-in-One and the ongoing support of SAP Business Partner, BDO Kendalls Technology."

"As a result of the implementation, many of our practices and capabilities have been improved. We have had to upgrade our hardware and source greater IT expertise to support our new platform," Mr. Gundru said.

"Being a midsize business, we really could not have achieved this without mySAP All-in-One and the ongoing support of SAP Business Partner, BDO Kendalls Technology."

Mr. Abdul Gundru, Chief Financial Officer, IPS Logistics

"A business growing quickly like ours can not afford to manage and resource in a traditional manner. BDO Kendalls, which has a strong accounting background, was not distracted by such issues and forced us to find solutions that would result in improved business processes such as our documentation, and assisted us to find additional capital in our restricted budget to make the solution work."

Mr. Gundru said the implementation was dynamic and that IPS would possibly consider adding other modules to the system as the need arose.

Media

China

Media

SAP BUSINESS ONE MAKES MANAGING STOCK IMAGE SERVICES A SNAP FOR GETTY IMAGES

Getty Images Technology Co., Ltd. (Beijing) needed ERP software to support its rapid growth, offer real-time reporting, and automate its financial affairs. After implementing SAP® Business One, the company has been able to make use of consolidated, accurate information for budgeting, key decision making, and general transaction status.

Beijing-based Getty Images Technology Co., Ltd (Getty), established in August 2005, is the Chinese arm of the world's largest image supplier, Getty Images. The stock image provider manages liaison offices in Shanghai, Guangzhou, Shenzhen, as well as a department for rights protection in Dalian.

The company has relied on technology as a differentiator from the start, particularly in boosting customer relationship management (CRM). A CRM system that was developed for the sales department had stood it in good stead in its early years.

"SAP Business One offers great flexibility to meet different business requirements, and supports a wide variety of data sources for easier integration with other systems."

Mr. Chuan Zhen, Chief Finance Officer, Getty Images

However, the China business has grown very rapidly for Getty in more recent years, so much so that its legacy IT infrastructure had become a bottleneck to business expansion.

Many Criteria for the Ideal System

The management realised that Getty urgently needed highly effective enterprise resource planning (ERP) software as an information-sharing platform. However, the company had some unique requirements.

AT A GLANCE

Website:
- www.gettyimages.cn

Key Challenges:
- Existing technology infrastructure was limiting growth
- Departments did not communicate well with each other
- Management had no visibility into the business

Project Objectives:
- To provide prompt data at the management level as a basis for accurate policy setting
- To integrate departmental data
- To hook up the customer relationship management system to the ERP system

Solutions & Services:
- SAP® Business One 2004B

Why SAP Solution:
- SAP Business One is flexible, user friendly, and integrates easily with other systems
- The software can be customised easily
- SAP Business One supports world-class management concepts

Implementation Highlights:
- Implementation within 3 months
- SAP Business One had to be linked to the existing CRM system
- Hardware like the server and the virtual private network were also tested

Key Benefits:
- Integrated, updated information for decision making at all levels, including for order and funds status and risk mitigation for front-end services
- Streamlined business workflow

Channel Partner:
- Beijing AVA Technology Co., Ltd.

Existing Environment:
- CRM system developed in-house

Database:
- Microsoft SQL Server 2000 Service Pack 3

Hardware:
- DELL SC420

Operating System:
- Microsoft Windows 2003 Server

Firstly, the system had to automate the financials for the company, as the priority had been CRM in the past. The management of accounts receivable was of particular interest. At the same time the system had to provide timely reports to management so they could make accurate decisions.

However, the ERP system had to be able to integrate with the existing CRM system as well. Additionally, it would have to conform to world-class concepts for managing businesses in line with Getty's status as the China subsidiary of a US-based company.

Although the search occurred over months, Getty was unable to find a suitable system until it met SAP Business One partner Beijing AVA Technology Co., Ltd.

"Now that SAP Business One has given us efficient operations and a real-time financial reporting system, we can be confident that we are a well-managed enterprise."

Mr. Chuan Zhen, Chief Finance Officer, Getty Images

Business One offers Outstanding Capability

Getty selected SAP Business One because of it fits with the company's requirements. The company liked Business One's ease of implementation and user friendliness in addition to its flexibility, support for customised reports and integration capabilities.

"SAP Business One offers great flexibility to meet different business requirements, and supports a wide variety of data sources for easier integration with other systems," says Mr. Chuan Zhen, Chief Finance Officer, Getty Images.

Formal work on the implementation began, with the key aims of linking business and financial data, hooking up the CRM system, creating prompt business reports, and managing accounts receivable within SAP Business One. Hardware tests were also carried out, involving the server and long distance connections through a virtual private network (VPN).

Information Shared is Intelligence Gained

The successful implementation of SAP Business One has generated multiple benefits for Getty. Departments have been integrated so that consolidated data can be shared at any time, while the business workflow has been reorganised and improved.

The integrated data infrastructure has not only enabled CRM data to be updated promptly and on a regular basis, but also ensured that the finance department is immediately updated on business transactions. In this way, staff can check the status of payment for an order or access budget data easily, while management can make better policy decisions. Accounts receivable status is now kept up-to-date, so much so that the books can be closed about half a month earlier.

Best of all, the system can shorten sales cycles, minimise problems at the front-end, and make financial tasks easier to complete, all of which have increased Getty's competitiveness by reducing customer response times.

MACMILLAN RUNS SAP

SAP STANDARDISES PROCESSES FOR MACMILLAN INDIA LTD

Macmillan India has three business priorities – publishing, information processing and e-business. The company has 22 showrooms and branches across major cities in India, as well as sales offices in London and New York.

AT A GLANCE

Key Challenges:
- High inventory levels
- Processes were not standardised
- Difficulties in controlling and managing disparate data

Solutions & Services:
- SAP's ERP solutions

Key Benefits:
- Streamlined business processes
- Improved staff productivity and customer service
- Reduced transaction time and costs

Book publishing industry is an extremely crowded, highly competitive industry that is filled with unpredictability depending on the publisher's seasonal list of upcoming titles. That is why it is important for book publishers to be able to forecast business growth and demand.

Macmillan India, however, had problems doing this as its legacy system was comprised of databases that were not integrated to one another. Moreover, the book publisher lacked standardised processes to manage and maintain information. Consolidating and optimising its resources became a big challenge, and it soon became clear that the legacy system was unable to cope with business growth.

> **"SAP has been able to meet our strategic and functional goals, and the investment is paying dividends. Total cost of ownership of the project has also reduced. Today, every customer-facing staff presents a single operating picture or 'one face' to our clients. All this was possible within one and a half years, which is definitely an impressive achievement."**
>
> Mr. M. Visweswaran, Chief Information Officer, Macmillan India

The SAP solution implementation has brought many positive changes to Macmillan's business. The centralised enterprise management system has increased efficiency of business processes such as order fulfillment. Data transparency has also allowed managers to view and analyse information from a variety of levels and perspectives. This has improved customer service level and reduced overall transaction time and costs.

NAVNEET PUBLICATIONS ACHIEVES ENTERPRISE INTEGRATION

India-based Navneet Publications is an educational books publisher and a leading manufacturer and exporter of paper stationery. It has two corporate offices in Mumbai and Ahmedabad, 10 branch offices and five state-of-the-art printing plants.

AT A GLANCE

Key Challenges:
- Business processes were not standardised
- Inability to obtain accurate, up-to-date information

Solutions & Services:
- SAP's ERP solutions

Key Benefits:
- Well-documented workflow
- Data transparency and real-time availability of data
- Standardised business processes

Prior to implementing a SAP solution, each of Navneet Publications' operation had its own IT department that was not integrated across the company. This greatly reduced productivity for its 1,200 employees as work was often duplicated at each location. It also prevented management from obtaining up-to-date business critical data which impeded the decision-making process as a result.

> **"A growing company with manufacturing units in multiple locations should consider leveraging ERP to accelerate growth in a systematic manner. SAP has helped us tremendously by standardising our business processes and empowering staff by allowing them to make quick business decisions based on real-time information."**
>
> Mr. Kalpesh Gala, Vice-President, Navneet Publications

The SAP solution changed all that. Business processes across all of Navneet's operations are integrated and employees now have real-time access to information. The solution has also removed redundant, repetitive tasks, and improved the monitoring of activities and budgeting process.

Oil & Gas

Singapore

Oil & Gas

HIN HIN REFINES ITS BUSINESS PROCESSES WITH SAP BUSINESS ONE

To enhance its current work processes and prepare for future growth, Hin Hin Group of Companies turned to SAP® Business One. With its new system, the company now enjoys a centralised database for its entire business operations, improved visibility of information and increased management efficiency.

Ensuring operational efficiency has been one of the main success factors for Hin Hin Group of Companies, a regional industrial products trader with interests in asphalt, asphalt specialty products, lubricants and bitumen.

From the humble beginnings of a bicycle shop, Hin Hin Group has since expanded its operations to three main lines of businesses that include trading, manufacturing and shipping. It is also a ship and tanker owner/operator. Headquartered in Singapore, it has subsidiaries in China, Indonesia and Malaysia.

"The tangible benefits we have gained justify our choice of SAP Business One. Management now has a clear view of the entire business operations, and we know we can rely on the accurate information to make timely business decisions. We are confident that SAP will continue to improve our business."

Mr. Lim Choon Kiat, Executive Director, Hin Hin Group of Companies

Top management at Hin Hin had a clear vision for the company's growth – it needed to not only maintain its present level of success, but also build for the future. To do so, Hin Hin needed to improve its business processes and operational efficiency.

AT A GLANCE

Website:
- www.hinhingroup.com

Key Challenges:
- Inefficiency due to lack of standardisation across the company
- Low visibility of overall business without a centralised database
- Inability to produce consolidated financial reports
- Legacy system not scalable to support business growth

Project Objectives:
- Streamline and integrate all aspects of the business for better control of operations
- Implement a centralised database to increase visibility of business processes and information
- Improve ability to produce consolidated financial reports
- Build a system scalable to support growth

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Reliability of SAP brand
- SAP Business One met customer's business requirements
- SAP provided the support and scalability that Hin Hin Group requires
- The World Management, SAP's partner, offered an in-depth understanding of Hin Hin's business and was most cost-competitive

Implementation Highlights:
- Within four months for eight subsidiaries

Key Benefits:
- Increased efficiency and better control of business processes
- Improved visibility of information across the company
- Ability to produce consolidated financial reports quickly and easily
- New system able to support future growth plans
- Statutory reporting reduced from one month to three days

Channel Partner:
- The World Management Pte Ltd

The company's legacy IT system was inadequate in enabling Hin Hin to achieve the standards of management and service that it wanted. It was unable to integrate the various finance, sales and inventory management functions. As a result, there was often data error and duplicated work, such as the double entry of sales orders.

Without a centralised database, staff were also unable to access and produce consolidated financial reports required by the company's shareholders. At the same time, the old system could not provide management with real-time visibility of the overall business, which hampered them from making prompt business decisions.

SAP Offers The Best Fit

Hin Hin searched extensively for an ERP system that would allow for integration and scalability. Among the various software solutions considered, SAP Business One stood out with its reputation and ability to fulfill Hin Hin's needs.

"SAP Business One was the most suitable for us as its features met our criteria. We have plans to grow the business and it was important for us to have a system that could grow together with our plans. SAP could do all this and we were confident that it was the best choice for us," says Ms. Wong Li Sum, Corporate Accountant, Hin Hin Trading Pte Ltd.

SAP channel partner The World Management's cost-competitiveness and ability to provide strong support for the SAP system were added bonuses.

"During our selection process, we looked for a partner who could demonstrate a clear understanding of our business and be able to add value to the SAP Business One system. The World Management impressed us with their presentation and showed us that they could do just this," says Ms. Wong.

As such, after a four month implementation period starting February 2006, Hin Hin went live with SAP Business One on 1 June 2006. Using Singapore as the base, the full range of solutions was implemented across all eight subsidiaries in the country.

Greater Efficiency With Leaner Processes

One month into its new SAP system, Hin Hin is extremely pleased that tangible benefits are already evident.

Business processes are now more organised, and management has better control over the company's operations. With the online integrated system, employees no longer need to issue manual invoices, as they can be automatically generated and sent from the SAP system. Important details such as customers' credit limits and payment deadlines are also captured by the system and alerts can be triggered for necessary action.

"SAP Business One was the most suitable for us as its features met our criteria. We have plans to grow the business and it was important for us to have a system that could grow together with our plans. SAP could do all this and we were confident that it was the best choice for us."

Ms. Wong Li Sum, Corporate Accountant, Hin Hin Group of Companies

"With SAP Business One, we have streamlined and gained better control of our work processes. Now, all staff are adhering to an agreed work flow and format, thus giving our work process more structure. This way, only data from the system is recognised as correct, a procedure which has greatly improved our efficiency," explains Ms. Wong.

Increased Access To Information

Management has also received positive feedback on the enhanced visibility of information and improved reporting capability.

"It is now much easier to locate information using the new SAP system. Previously, we would have to search our files and try to remember where the right document was saved. But with SAP, information can now be retrieved easily and quickly, saving us much time and hassle," says Mr. Mikael Koh, Senior Projects Officer, Corporate Services, Hin Hin Trading Pte Ltd.

"It is now much easier to locate information using the new SAP system. Previously, we would have to search our files and try to remember where the right document was saved. But with SAP, information can now be retrieved easily and quickly, saving us much time and hassle."

Mr. Mikael Koh, Senior Projects Officer, Corporate Services, Hin Hin Trading Pte Ltd

With the system's real-time reporting capability, it can also help to flag any potential accounts receivable and cash flow problems.

"The system will automatically alert us to any accounts receivable issues, such as late payment, and management can then decide if we should authorise delivery of additional goods to that customer," adds Ms. Wong.

In addition, the finance department can now easily access and produce consolidated financial reports for the company's shareholders and banks.

"Statutory reporting used to take me one month to complete. With the SAP system, it now takes just three days, inclusive of time needed for final approval. What's more, the accuracy of reporting has also improved with automation of the data," says Ms. Wong.

Thus far, Hin Hin's top management is extremely satisfied with the results of the SAP system. They plan to continue monitoring the new system to see where it can be further developed and applied. One area currently being explored is the sales opportunity module which allows users to track every sales opportunity, from the first phone call to the successful close of a transaction.

"The tangible benefits we gain have justified our choice of SAP Business One. Management now has a clear view of the entire business operations, and we know we can rely on the accurate information to make timely business decisions. We are confident that SAP will continue to improve our business," says Mr. Lim Choon Kiat, Executive Director, Hin Hin Group of Companies.

SAP BUSINESS ONE SMOOTHES EXPANSION AT JUMBO POWER

Jumbo Power selected SAP® Business One to significantly improve inventory controls and serve customers better. Implementing SAP Business One has allowed Jumbo Power to access an accurate, up-to-date view of internal operations while gaining the flexibility to grow.

AT A GLANCE

Website:
- www.jumbopower.com/index.php

Key Challenges:
- In-house developed system could not cope with growth
- Could not monitor business status effectively
- Inventory control was inefficient

Project Objectives:
- Implement a scalable system
- Enhance operational efficiency
- Monitor and manage stock levels and improve inventory control
- Produce accurate reports of business status quickly

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP is an industry leader in business software solutions
- SAP has in-depth business know-how
- SAP Business One provides integrated management and reporting capabilities
- Software will support JumboPower's growth
- Software provides an accurate up-to-date view of internal operations

Implementation Highlights:
- Implementation was done for 18 professional and 11 CRM users
- Implementation included training and hardware

Key Benefits:
- Improved operational efficiency on par with world renowned companies
- Can serve customers better
- Access to accurate, up-to-date view of internal operations
- Software can grow with the company and support its future activities

Channel Partner:
- PT Metrodata E-Bisnis

Jumbo Power International (Jumbo Power), an Indonesian manufacturer of automotive oils and lubricants, currently serves markets such as the Middle East and Asia. World demand for its products has grown dramatically.

These positive changes have caused such increases in transaction volumes that Jumbo Power's in-house developed system began to show signs of being overwhelmed.

A lack of integration across departments had led to information that was not available in the right place at the right time for timely decision making. The company did not have access to accurate views of internal operations, and faced problems monitoring and managing stock levels in particular.

"We knew that SAP is the undisputed leader in business software solutions with in-depth business know-how. Implementing SAP would enable us to improve our operational efficiency on par with world renowned companies."

Ms. Linda Junus, Director, PT Jumbo Power

"One of our major challenges was inventory control. As we carry more than 150 products that cater to 150,000 outlets, we were often struggling to keep track of our supply and demand," says Ms. Linda Junus, Director, Jumbo Power.

The inefficiencies finally prompted Jumbo Power to switch business systems. The company required a more scalable system that could handle increasing growth, and yet enhance productivity by streamlining workflows. At the same time, it had to be able to produce accurate data that would reflect the state of the business, particularly that of stock levels.

Improving Adaptability

Jumbo Power's search led to SAP and SAP Business One.

"We knew that SAP is the undisputed leader in business software solutions, with in-depth business know-how. Implementing SAP would enable us to improve our operational efficiency on par with world renowned companies," says Ms. Junus.

"We are confident that we now have software that has the capability to grow with us and support our activities well into the future."

Ms. Linda Junus, Director, PT Jumbo Power

The software was selected for its integrated management and reporting capabilities, which would allow Jumbo Power to access accurate, up-to-date views of internal operations. Additionally, SAP Business One would enable Jumbo Power not only to address its present requirements, but also changing business needs as it grew.

"With SAP Business One, the company expects to be able to monitor and manage stock levels, and quickly produce reports that are based on the latest information available," Ms. Junus adds.

Single Solution Promotes Business Visibility

Jumbo Power has seen enhanced operational efficiency after implementing SAP Business One. Integrated, streamlined business workflows allow internal activities to be completed more quickly, and enable Jumbo Power to be more responsive to customer needs.

The integration has also enabled Jumbo Power to obtain an accurate and current view of internal operations and hence an improved ability to handle potential problems and make decisions that will keep it competitive. In addition, it can now forecast, monitor and manage stock levels with its improved inventory control.

Confidence Instilled

"With access to accurate, up-to-date views of internal operations, we can make better decisions and create a more efficient way of doing business," said Ms. Junus.

Professional Services

Malaysia

Professional Services

ACHIEVE A WORLD-CLASS PAYMENT INFRASTRUCTURE AND ENHANCE CUSTOMER-FACING SERVICES WITH SAP BUSINESS ONE

Electronic payments services provider GHL Systems Berhad needed to streamline its data input processes and share corporate data group-wide. SAP® Business One now provides the company with better business visibility and enhanced its competitiveness with better customer service.

As a leading electronic payments service provider in Malaysia and the largest third party/non-financial institution EDC terminal provider in the country today, *MSC-status firm GHL Systems Berhad (GHL) needs to maintain a world-class payment infrastructure and services at all times.

The company, which provides payment-hosting services as well as a wide range of card-based electronic payment solutions via Electronic Draft Capture (EDC) terminals nationwide, manages 200 staff at eight subsidiaries in two countries from its headquarters in Kuala Lumpur, Malaysia, and sees annual revenues of US$20 million.

"SAP Business One gives us a systematic way of managing our operations. The automation provided by SAP Business One has meant that data is entered once and immediately shared by all across the group."

Mr. Jeffrey Chin, Group Finance Director, GHL Systems Berhad

Staying Competitive

Prior to considering SAP, GHL found that corporate data was not easily accessible across the various organisations that comprise the group. The company was double-keying data

* Multimedia Super Corridor (MSC) Malaysia-status is the recognition by the Malaysian Government through Multimedia Development Corporation (MDeC) for companies that participate and undertake its infocommunications activities in the MSC Malaysia. MSC Malaysia-status companies enjoy a set of incentives and benefits from the Malaysian Government backed by the ten Bill of Guarantees.

AT A GLANCE

Website:
- www.ghl.com

Key Challenges:
- Data was being keyed in multiple times, by multiple users
- Data could not be viewed or shared across the entire group
- Business processes lacked transparency
- Service department was unable to track service jobs closely, or monitor data from terminals

Project Objectives:
- Integrate data and processes
- Provide access to real-time information
- Establish basis for consistent data
- Leverage existing resources
- Support SAP and non-SAP applications

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Liked SAP's well-established experience
- SAP's global solutions in line with GHL's global expansion plans
- Assured that SAP supports local reporting requirements of various countries
- Preferred IT partner has SAP experience

Implementation Highlights:
- Impressed with the ease of customisation, utilising standard functionality
- It took eight weeks to implement SAP Business One at six companies

Key Benefits:
- Much less data duplication
  Information is now shared group-wide
- Service department has a clearer picture of its performance with service turnaround times tracked and terminal data closely monitored
- Better visibility for the business

Channel Partner:
- Croesus IT Solutions Sdn Berhad

Existing Environment:
- In-house application, Lotus Notes

Database:
- Microsoft SQL

Hardware:
- Dell PowerEdge 6850 Rack-mount Server running dual 3.0GHz Xeon processors

Operating System:
- Windows Server 2003 Enterprise Edition

into an in-house solution and Lotus Notes, and without a platform that could share information, could not drill down to view the data contributed by individual staff.

"There was duplication of effort in data entry, and data entered was not shared across the organisation," says Mr. Jeffrey Chin, Group Finance Director, GHL Berhad. "We needed to integrate data and business processes more closely, and establish a framework for consistent data."

At the same time, GHL wanted to generally reduce the service department workload with a Service module to track service turnaround times for its credit card terminals, as well as to record the settings on the terminals.

"The service department needed a solution to streamline the data capture from the time a service call is received to the time an issue is resolved. Terminal settings had to be captured and recorded for all terminal movements," Mr. Chin explains.

The ideal solution, Mr. Chin said, would not only integrate high-quality data with business processes, but also allow access to real-time information while leveraging on existing resources. It would also have to support non-SAP applications. Additionally, the solution would have to be able to scale regionally as GHL enters new geographical markets, particularly when it comes to satisfying the legal requirements of other countries.

Hard Choices

GHL considered a number of vendors during the decision process, including SAP. However, GHL's management were initially hesitant to work with SAP as they thought an SAP implementation could be costly. "We felt that 'off the shelf' software with minimal customisation would address these issues with lower implementation costs, and less risk of failure," says Mr. Chin.

Despite this, SAP partner Croesus IT Solutions Sdn Bhd turned them around. "Croesus is our preferred solutions vendor due to their dedicated effort in giving us a customised demonstration," he said. "We were also impressed by their strong product knowledge, their desire to enhance the functionality of the core solution, as well as their accounting and business background."

"SAP provides a global solution, so GHL can grow with the assurance that our implementation will work and be maintained in the markets we enter."

Mr. Jeffrey Chin, Group Finance Director, GHL Systems Berhad

GHL liked the fact that SAP is well-established in the business solutions market, and also that Croesus is well-versed with the SAP platform. "SAP is a reputable software provider with 30 years of experience, and with Croesus' business expertise, was the preferred platform," Chin says.

The company settled on SAP Business One after considering how its features and functionality would fit in with the company's long-term expansion plans. This "GHL is growing regionally, and needs a solution that will suit the local reporting requirements of the countries that we enter. SAP provides a global solution, so GHL can grow with the assurance that our implementation will work and be maintained in the markets we enter," he adds. "During the initial product demonstration, we felt that SAP Business One was probably an 80% fit 'off the shelf'. The rest was met via Software Development Kit customisations by Croesus."

In contrast, the other three vendors considered by GHL did not satisfy the project requirements as comfortably. "Their products were approximately a 50% fit and the rest customised. They were not regional, and thus we couldn't grow with their solution overseas," Mr. Chin says.

A Big Pay-off

The implementation went ahead extremely smoothly, with six companies at three sites going live after eight weeks. At present, SAP Business One serves 170 staff group-wide, up from 65 planned initially. GHL was particularly impressed with the ease of customisation for SAP Business One, and

how Croesus was determined to deliver a tailored solution over and above the core functionalities of Business One.

"We needed a lot of terminal settings to be ported across whenever we swapped a terminal, and Croesus was able to utilise standard functionality within the SAP platform. Automated invoicing was also a necessity, and once again, Croesus' team addressed the product requirement gap," Chin said. "Croesus is a pioneering partner with very good product knowledge and a genuine positive 'can do' attitude. They gave us an implementation with no hidden costs."

SAP Business One replaced both GHL's in-house solution as well as Lotus Notes, allowing data to be centralised, a prerequisite to further automating business processes and boosting productivity. A Service module now tracks service turnaround times for the credit card terminals, as well as the settings on terminals themselves.

Better Poised to Grow

The new SAP solution has helped GHL in its regional growth plans, and helped it to become more competitive, says Chin. "SAP Business One gives us a systematic way of managing our operations. The automation provided by SAP Business One has meant that data is entered once by a single user, and immediately shared by all across the group," said Mr. Chin. "We have cut down significantly on duplication of effort in data capture, and have better visibility across our entire operation."

Further, GHL has been able to improve its customer service through SAP Business One. "We now have quicker access to critical data in our customer database, and on our customers' terminals," says Mr. Chin. "We can provide better services by having customer relationship history as well as business operations data available at a moment's notice."

GHL is also pleased with improved staff morale. "The change log functionality has reinforced the work ethic that staff should be responsible for their own actions. With accountability comes greater care in their work, fewer errors, and a more accurate picture of our day-to-day operations."

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Mr. Jeffrey Chin, Group Finance Director, GHL Systems Berhad

And GHL has already given a resounding yes to working with SAP further. "We'll be implementing SAP as part of our overseas expansion plans," said Mr. Chin.

Singapore

Professional Services

TERRAPINN BUILDS ON SAP BUSINESS ONE TO ENSURE LONGEVITY AND GOOD FORTUNE

Terrapinn, a world leader in business conferences and trade exhibitions, faced difficulty in getting meaningful business information out of its outdated IT systems. It chose SAP® Business One to solve this issue and has since enjoyed streamlined operations.

The "terrapin" is one of the four celestial animals of Feng Shui cosmology which, say practitioners, brings long life and good fortune.

Business media company Terrapinn chose its name for this reason but found itself in less than auspicious circumstances as a raft of disparate legacy systems threatened to sabotage their future growth plans.

Terrapinn is a world leader in business conferences and trade exhibitions. It is also known for its training solutions and as a publisher of specialist printed and online magazines.

"Clearly, we needed a solution that could streamline our business operations, give us tighter financial control over each business and event, and better business planning metrics. SAP Business One provides the answer."

Mr. Malcolm Carradus, Group Finance Director, Terrapinn Ltd

Compelling Need to Change

Each of the Terrapinn regional offices previously used AccPac as their accounting system, fronted by an outdated registration solution that was used to book events and generate customer invoices. The registration solution was from the US and had become poorly supported everywhere. These core business applications combined with different contact management solutions and various spreadsheet

AT A GLANCE

Website:
- www.terrapinn.com

Key Challenges:
- Difficulty in obtaining useful information from previous IT systems
- Operating inefficiencies
- Duplication of tasks

Project Objectives:
- Streamline business operations
- Tighter financial control over each business and event
- Better business planning metrics

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Ease of use
- Intuitive user interface
- Fully integrated financial and sales management capabilities
- Able to slice and dice live data across the system modules to produce KPIs
- Rapid customisation for allocation of costs, estimation of project costs, and accounting for pre-paid income and expenses for past and future events with SDK provided by SAP

Implementation Highlights:
- Implementation in four countries in less than 180 days

Key Benefits:
- Duplication of tasks has been removed
- Greater visibility on the different transactions and processes
- Customer queries answered easily and quickly
- Cost management has improved and better cash flow forecasting and planning
- Manual processes eliminated
- Centralised contact management system allows database information to be shared between different offices

Channel Partner:
- Inecom Business Solutions (Singapore)

Existing Environment:
- AccPac on DOS/Windows

systems in each of the offices, provided a very disjointed IT infrastructure.

"The difficulty of getting any meaningful business information out of the previous IT systems was just one of the problems," said Mr. Carradus. "Operating inefficiencies were also seriously draining our resources. For example, it could take up to 20 minutes to raise an invoice in the old system. If a customer called with an enquiry our service staff would have to come out of the invoice generation process to deal with it and then start invoicing again from scratch after they had closed the enquiry."

"Our IT systems were failing to keep pace with our rapid growth and putting lots of pressure on internal resources. One of our core business objectives is to 'exceed customer expectations'. It was obvious that if we didn't move quickly we would soon begin to fall short of their expectations."

Mr. Malcolm Carradus, Group Finance Director, Terrapinn Ltd

Carradus also cited duplication of tasks within the old IT systems as another major problem. For example, payments needed to be updated in three separate applications: the registration solution, AccPac, and a spreadsheet.

"Clearly, we needed a solution that could streamline our business operations, give us tighter financial control over each business and event, and better business planning metrics," said Mr. Carradus.

Terrapinn's London office had previously upgraded to the latest version of Accpac software but the verdict was that this had merely provided a different user interface, with no useful added functionality. Other software solutions such as Sage, Exchequer and Navision were also found to wanting – "too old, too cumbersome and too clunky," Mr. Carradus remarked.

After a long search Terrapinn settled on SAP Business One as their core business and financial management solution in August 2004. At the same time, they selected Inecom Business Solutions as their implementation partner.

"Inecom was then relatively new to SAP Business One but their track-record was good in other products and we trusted them," remarked Mr. Carradus.

What immediately impressed Terrapinn about SAP Business One was its ease of use, intuitive user interface, fully integrated financial and sales management capabilities, and its ability to slice and dice live data across the system modules to produce KPIs.

"SAP Business One is a fresh product. It's as if someone took a blank piece of paper, and asked us what we wanted a system to look like. Very easy to use and in many ways like a comprehensive business database with various user interfaces put around it," observed Mr. Carradus.

Custom-Made to Fit

The implementation process started with Inecom building a prototype test system that replicated all the different transactions and workflows that Terrapinn executes.

"We sat down with all the key users, worked out what had to be done and, using subsets of their actual data, we walked through the process flow and configured a full-scale system that they could test and train staff on," said Mr. Paul Byrne, a director of Inecom.

SAP Business One went live in Terrapinn's Singapore operations within two months, followed by the Australian and UK operations, both of which achieved live operations

only four months after commencing the initial Singapore project.

There were of course some problems and obstacles to be overcome. Testing the prototype system revealed that Terrapinn had some special requirements relating to the allocation of costs, the estimation of project costs, as well as accounting for pre-paid income and expenses for future events.

As part of the implementation process, Inecom made these necessary enhancements to SAP Business One using the Software Development Kit (SDK) provided by SAP.

"With SDK tools from SAP, we wrote some extra programs very quickly and inexpensively," said Mr. Byrne, "delivering them just before the system was due to close off its first month-end."

He explained that a key advantage of SAP Business One is the comprehensive object-oriented SDK development tools. These allow partners to write programs or integrate third-party applications which add to SAP Business One without interfering with the core functionality.

"SDK makes extending the functionality of SAP Business One a relatively inexpensive and very seamless process. With the older legacy systems, partners were reluctant to make changes to standard software as it usually meant changing the source code, incurring high costs and tying the customer into that particular version of the software," says Mr. Byrne.

Big on Benefits

Working with a single solution instead of disparate applications has meant a better allocation of resources, says Mr. Carradus. He explained that previously, the registration system was difficult to use, making it hard to cover for staff absences as only eight staff members worldwide knew how to use it.

The single platform has meant that the duplication of tasks has also been removed, with much greater visibility on all the different transactions and processes. This also means that customer queries can be answered easily and quickly.

"SAP Business One is a real time system rather than a traditional batch processing system. Information is up to date which has allowed us to improve our cash flow forecasting and planning," says Mr. Carradus.

"The speed with which we were able to roll out the new system in four continents impressed us. We could quite literally have taken it around the world into each of our operations in less than 180 days."

Mr. Malcolm Carradus, Group Finance Director, Terrapinn Ltd

In addition, there is better control of the volume and timing of discounts given to customers. In the old system, it was difficult to log and monitor the discounts given to customers, which is one of biggest costs of the events management business. Typically, such businesses give discounts for early bookings, for multiple delegates, or for a sponsoring client.

"The single most important piece of information we have gained from SAP Business One is the volume of discounts. The volume of incorrect discounts that previously went through undetected was horrifying," says Mr. Carradus. He estimates that this was costing Terrapinn at least S$1 million (US$650,000) a year in lost revenues.

Manual processes have also been eliminated. For instance, the creation of purchase orders (POs) is now automated, instead of POs from a handwritten carbon copy book.

Terrapinn is also looking at replacing the various contact management systems currently used with the one available in SAP Business One. This should improve the management of the sales pipeline.

"We needed to select a world-class software solution for our operations on four continents and first-class business partners to help us implement the solution. With SAP Business One and Inecom we have achieved both of these objectives."

Mr. Malcolm Carradus, Group Finance Director, Terrapinn Ltd

Improved workflows and ease-of-use has enabled staff to focus more time on talking to customers, including reminding them about up and coming events. This helps minimise the cancellation rate which would otherwise translate into reduced revenues for the company.

"The focus of our customer service people should be talking to customers and meeting their needs, but previously we were often bogged-down doing cumbersome administrative tasks," says Mr. Carradus.

Building the Future

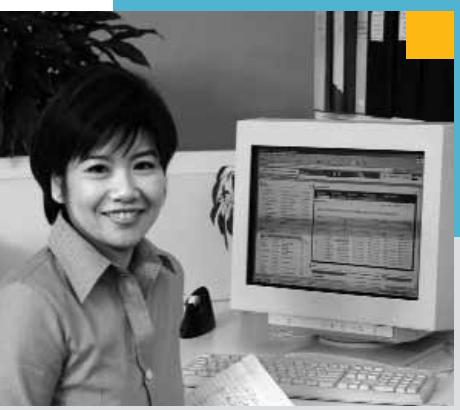
With SAP Business One now in place, Terrapinn is determined to achieve further business process improvements by building on its new technology infrastructure.

Inecom is currently working with Terrapinn to develop a new front-end events registration system. This will be built within SAP Business One and will provide seamless integration of the administration and financial management of events.

A second phase plan is to close the loop by also integrating the Terrapinn website (which currently allows customers online registration for Terrapinn events) with the SAP Business One applications.

The aim of these two projects is to deliver a complete supply chain management solution across every aspect of Terrapinn's operations in all business units.

On the planning and control side of its businesses, Terrapinn plans to make extensive use of SAP's XL business intelligence tool, an enhanced capability that allows customers to gain greater insights into their business.



SAP HELPS AQUANITA TRAIN WINNERS OF THE FUTURE

Aquanita is one of Australia's largest racing stables. They offer a range of services including racehorse purchasing and training, transportation and veterinary facilities. It chose SAP® Business One to streamline its business operations and to achieve efficient data reporting.

AT A GLANCE

Website:
- www.aquanita.com.au

Key Challenges:
- Multiple companies within one database
- Integrated system and complete financials within one software package
- Maintenance of Horse Information must be customised to meet Aquanita's specific needs

Project Objectives:
- To consolidate the three different systems the company was running
- The ability to run multiple companies within the one database
- A solution that would grow with the business
- Increase efficiency of business processes

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Vast functionality and flexibility
- Customised solution to handle industry specific requirements
- SAP partner, Intacct, had a great understanding of Aquanita's business processes

Implementation Highlights:
- SAP Business One was customised to handle horse maintenance and ownership invoicing
- SAP solution was extremely user friendly and easy to use
- Database Speed

Key Benefits:
- Invoice turnaround has increased by 30%
- All of Aquanita's information is now stored in the one simple database
- Month end financials have been simplified

Channel Partner:
- Intacct Business Consulting

Database:
- Microsoft SQL Server

Hardware:
- Intel

Operating System:
- Microsoft Windows

Amid the roar of the crowd and the excitement of watching A racehorse run past the finishing post, it's easy to forget how much work goes into creating a champion.

While the early-morning starts and intensive training sessions are obvious, the management and administrative side of the business are just as demanding.

Matching owner syndicates with trainers, communicating with owners, arranging race appearances and ensuring the good care of the horses is a complex and time-consuming task.

"Where it used to take us 12 days to get owner accounts out, it has already dropped to seven and will eventually get down to four working days. That is a saving of 15 person days a month which is significant for a company of our size."

Mr. Peter Oliver, Chief Executive Officer, Aquanita

At Aquanita Racing Australia, such activities are part of daily operations. The company is a joint venture team for horse trainers which manages racehorses on behalf of owners and owner syndicates.

Named after a famous Australian racehorse and winner of the 1962 Cox Plate, the company was established in 1998 and

has quickly grown to become one of the largest racing stables in the country. It offers a range of services including horse purchasing and training, transportation and veterinary facilities.

In recent times the business has been actively searching for a management and accounting system to streamline the ever increasing volume of information it has to process. The search came to end earlier this year when the company identified SAP, together with implementation partner Intacct Business Consulting, as the solution to its problems. Together they have successfully rolled out SAP Business One to support all facets of the firm's daily operations.

"We selected SAP because it has a software world-wide reputation for reliability and support, and because Intacct had been involved with us for years."

Mr. Peter Oliver, Chief Executive Officer, Aquanita

Aquanita's Chief Executive Officer, Mr. Peter Oliver said the company had grown from what was essentially a hobby into a large, multi-faceted operation in a relatively short period of time.

"In the very early days, the whole business was run out of a cheque book," he said. "There was a pile of invoices, some creditors and debtors but no accounting system at all."

Step one was to put a suitable system in place, which was achieved by rolling out an MYOB based accounting structure. While this helped, as the company grew it became clear it was not going to be enough.

"The key challenge we faced was that the company issues invoices by horse, but a single horse can have multiple owners with different percentages of ownership," said Mr. Oliver. "MYOB could calculate what a particular horse owed, but couldn't split this between multiple owners."

To overcome this problem, data was transferred into another package which could split by owner, but the result was the creation of two debtors databases. While debtor amounts were accurate in both systems the fact that they didn't interface with each other meant that all payments had to be double entered.

To make matters even more complex, Aquanita also comprises 12 different legal entities, so producing profit and loss statements, balance sheets and cash flows was a complex operation that took company staff many days of work.

Knowing the systems had to be changed, a search began for a single application that could perform all the necessary functions. Mr. Oliver said the company even considered building its own bespoke system, but opted against this idea due to the large associated cost.

After months of searching, the company chose to implement SAP Business One in a project completed in August 2005.

"We selected SAP because it has a world-wide reputation for reliability and support, and because our IT partner Intacct had been involved with us for years and knew our internal processes and requirements.

"Intacct's experience has proven invaluable and their assistance allowed us to get things up and running quickly."

While some modifications to the standard SAP Business One were required and are expected to be ongoing for a few months still, the new system is already delivering benefits to the company.

"Where it used to take us up to 12 days to get owner accounts out, this had already dropped to seven and will eventually get down to four working days," said Mr. Oliver. "That is a saving of around 15 person days a month which is significant for a company of our size."

Report writing has also improved significantly. Where previously data would have to be extracted and manipulated in Excel to produce management reports, this can now be done automatically within SAP Business One "at the push of a button". The company estimates it will save another five working days each month.

In the future, Aquanita plans to further extend the use of SAP Business One to provide cost and time savings in other parts of its operations.

For example, horse movements will be recorded within SAP, and owners will be able to pay their accounts electronically using a planned e-commerce system.

"We also intend to have all our key suppliers provide us with electronic rather than paper invoices by the end of this year. These will be provided in a set format which can be automatically uploaded into the SAP system, saving even more staff time by eliminating manual data entry.

Mr. Peter Oliver, Chief Executive Officer, Aquanita

"We also intend to have all our key suppliers provide us with electronic rather than paper invoices by the end of this year," said Mr. Oliver. "These will be provided in a set format which can be automatically uploaded into the SAP system, saving even more staff time by eliminating manual data entry."

Mr. Oliver is confident SAP Business One will provide the company with the robust, reliable and flexible platform it needs to support ongoing organisational growth.

With SAP, Aquanita will continue to develop the racing winners of the future

OREGON SCIENTIFIC RUNS SAP

SAP BUSINESS ONE MAKES PROPERTY MANAGEMENT A BREEZE FOR ATP

Australian Technology Park (ATP) needed new business management software that could fit the specific needs of the property management business, particularly strong financials module. SAP® Business One has helped ATP boost productivity and customer satisfaction.

AT A GLANCE

Website:
- www.atp.com.au

Key Challenges:
- Legacy system was built for the construction business and not suited for the property management business
- Staff could not extract business-critical information easily

Project Objectives:
- A business management solution that closely integrates property management and financials
- End-to-end transparency of business-critical information
- Ease of use, including customer facing staff

Solutions & Services:
- SAP® Business One and Arinya Property Suite, a partner solution for property management

Why SAP Solution:
- SAP is well known for its user friendly yet powerful financials software
- Has a partner solution built specifically for the property management sector and which is integrated with SAP Business One

Implementation Highlights:
- Implementation was completed within three months, inclusive of testing

Key Benefits:
- Information entered into the system is sent to the relevant departments for processing
- Very user friendly
- Staff productivity is enhanced
- Customer satisfaction has increased, with their queries answered efficiently
- Empowers and helps staff during the problem-solving and decision-making process

Channel Partner:
- MicroChannel Services

Database:
- Microsoft SQL

Operating System:
- Microsoft Windows

Australian Technology Park (ATP), home to 100 of Australia's leading technology companies, is a unique confluence of the old and new. The management has preserved the old-world charm of one of Sydney's most significant heritage sites, the former Eveleigh Railway Workshops, and transformed it into a modern business facility for companies specialising in biotechnology, education, energy, environmental management, multimedia, IT, telecommunications and photonics.

"The previous system that we were using was designed for the construction business, and unsuitable for a property management company like ours... After looking at all the solutions in the market, we selected SAP Business One because it fits all our requirements."

Mr. Sanjeev Goyal, Business and Finance Manager, Australian Technology Park

At ATP, the legacy of the workshops – a place where new tools, machines, power sources and techniques for steam locomotives were once created – lives on through the company's vision of becoming a "highly recognised community for the commercialisation of Australian technology and innovation".

But in order to achieve its objectives, ATP needed an overhaul of its legacy business management system.

"The previous system was designed for the construction business and unsuitable for a property management company like ours. These two industries are like chalk and cheese from ATP's perspective," says Mr. Sanjeev Goyal, Business and Finance Manager, ATP.

"In construction, you would be analysing costs at various project stages. But in property management, you are managing tenants and leases, with regular conversations with tenants on a variety of matters."

To correct the misalignment between its IT solution and business needs, the company decided to deploy SAP Business One and an SAP partner solution, Arinya Property Suite.

End-To-End Data Transparency

Maintaining rent rolls and lease information, such as financial data in relation to tenants, lease terms and renewals, are very time consuming tasks – especially for a 17-staff strong company that has 100 companies on its premises to manage.

The new system had to support the entire property management workflow lifecycle with tight integration between the property management module and a strong financials management system. The new solution also had to be easy to use for all staff.

"After looking at all the solutions in the market, we selected SAP Business One because not only did it meet all our expectations from a financials perspective, it also integrated very well with the property management module from Arinya Technology, SAP's integration partner.

"What is really great about SAP Business One is that it is very user friendly. As a result, productivity has improved and customer satisfaction has increased as relevant information can be retrieved to answer queries on the spot."

Mr. Sanjeev Goyal, Business and Finance Manager, Australian Technology Park

The SAP Business One system now serves as a single and shared repository for all business-critical information such as leases, incidents and communications with the customer. Relevant departments can still perform their relevant business processes but without losing transparency of information.

For example, this means customer-facing staff can extract the data they need without asking the accounting team for help.

"Integrating financials with the additional functionality provided by Arinya's property module gives us end-to-end data transparency.

"It empowers people, giving them easy access to relevant information. It means issues can be resolved more quickly and independently.

"And because SAP Business One is very user friendly, productivity has improved and customer satisfaction has increased," says Mr. Goyal.

Fast Implementation

With the help of systems integrator MicroChannel Services, the SAP deployment was completed within just three months, including a testing phase.

"We were amazed at the speed and ease at which SAP Business One could be deployed. It went live with no problems at all," said Mr. Goyal.

"Deploying SAP Business One makes lease and rent management much easier. In summary: better customer service and happier tenants," said Mr. Goyal.

"With the help of SAP, we are now one step closer to becoming one of the best technology parks in the world," said Mr. Goyal.

SAP MAPS OUT ROAD TO SUCCESS FOR DTSL

Desktop Technology Services Limited (DTSL) is a successful services provider which focuses on infrastructure design, implementation, support and product procurement. It chose SAP® Business One through Partner REALTECH.

AT A GLANCE

Website:
- www.dtsl.co.nz

Key Challenges:
- Incumbent solution was unstable
- Unable to produce accurate reports in a timely manner
- Greater integration across business processes

Project Objectives:
- Stability of systems
- Accurate reporting
- Reports available in realtime

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- CRM capability built into core product
- Ease of use
- Stability of vendor

Implementation Highlights:
- Ease of delivery of application
- Fast implementation – SAP Partner REALTECH worked closely with the DTSL team and the solution was implemented in four weeks

Key Benefits:
- Stable core product
- Fast and accurate reporting
- Higher billable productivity from the workforce

Channel Partner:
- REALTECH Ltd

Database:
- MS SQL

Hardware:
- HP

Operating System:
- Microsoft Windows 2003 Server

Selecting a critical information technology system, on which to grow your business is akin to navigating a complex network of crossroads, roundabouts and side-streets to reach the desired destination for your organisation, your customers, and your future.

While it's tempting to select a familiar and well worn path, investing the time to assess and evaluate the alternatives can accelerate the run towards an energised and more prosperous organisation.

"While a number of applications we trialled met our functional requirements, when we came across SAP Business One, performed the same test bed situation, we found it to be superior in terms of use and process integration."

Mr. Ian McGough, Managing Director, Desktop Technology Services Limited

For New Zealand's Desktop Technology Services Limited (DTSL), a successful technology services provider which focuses on infrastructure design, implementation, support and product procurement, selecting the best support system meant looking beyond its comfort zone of preferred suppliers and searching for a business partner that was responsive to its needs.

Having expanded to 16 locations and 140 staff, DTSL's management was wrestling with outdated legacy applications. Management wanted the business to be more agile, with greater integration across its business processes,

but the weighty pack of older applications was stalling DTSL's organisational performance.

DTSL Managing Director, Mr. Ian McGough, said for the business to run at the desired speed, management recognised the need for a high-performing ERP system.

"We felt that ERP would be the heart of our organisation, and it would have to integrate with all the applications we needed to offer to our customers to further grow the business," he said. "So the selection of the replacement ERP systems was the first building block in a broader architecture."

Mr. McGough said initially DTSL considered applications which were familiar because of the organisation's association with Microsoft.

"We spent approximately 12 months reviewing and prototyping competitive offerings and during this time our legacy system received little or no investment in development or maintenance. Towards the end of this process the system started to exhibit some instability which accelerated our selection and implementation timeframes," he said.

Mr. McGough admitted that while other systems had their strengths, they did not offer a solution as complete as SAP's Business One. He said a SAP business partner, REALTECH, introduced SAP as a more than viable alternative and dispelled DTSL's notion about SAP offering only solutions which are designed for huge corporations.

"We had a perception that SAP only supplied to huge corporate environments and we were not aware of the small and mid enterprise focus of SAP Business One. Through REALTECH we investigated the SAP Business One capabilities and features against our requirements and found a good fit," he said. "While a number of applications we trialled met our functional requirements, when we came across SAP Business One, performed the same test bed situation, we found it to be superior in terms of its ease of use and process integration. One key factor in selecting SAP Business One was the fact that our staff preferred its user interface."

"Significantly, SAP Business One also enabled us to promote an ERP solution to our customers, by having a ready working platform within our own business."

With a strong association with REALTECH, already in place, Mr. McGough said the SAP Partner presented strong value before, during and after the implementation.

"We were extremely comfortable working with REALTECH staff were always knowledgeable, helpful and extremely professional. It was their skill which ensured a successful implementation with minimum disruption to our normal business operations."

"Significantly, SAP Business One also enabled us to promote an ERP solution to our customers, by having a ready working platform within our own business."

Mr. Ian McGough, Managing Director, Desktop Technology Services Limited

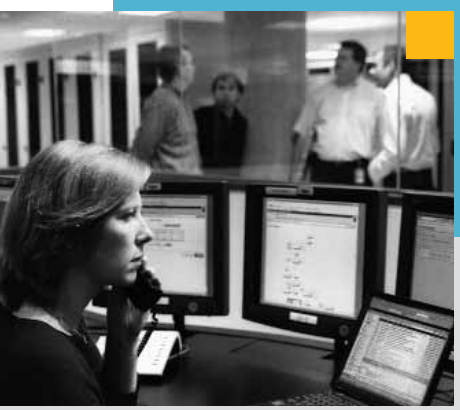
Mr. McGough said while the new system was still an infant, going live in July 2005 after a four week implementation, he was already considering future empowering components to support DTSL's business strategy.

"We've begun with Financials, Sales Ordering, Purchase Ordering and Inventory management. The next steps are Fixed Assets, CRMService Management, Ecommerce, and HR systems," he said, adding that work remained to ensure these options offered the best fit for DTSL.

"DTSL is a services business and as such, our primary product is the skill of our people and how we apply these skills for the benefit of our customers. Non-productive time is extremely expensive in our industry, efficiency and optimisation of time is key to our success. The advantages we seek from the fully integrated business solution, delivered by SAP and REALTECH, is higher billable productivity from our workforce. We also seek to make it easier for our employees to do their job, which should reduce frustration and increase their job satisfaction.

"We expect to see significant impacts on our customer facing areas through enhancements to information available via customer portal, improvements in order to delivery timeframes, faster and more accurate information available directly to our sales and service teams in the field through sales and field service automation," Mr. McGough said.

He said with this robust foundation DTSL's future was primed to go from strength to strength.



SAP DELIVERS FOUNDATION FOR GROWTH FOR ESP

Expert Solution Providers (ESP) realised it needed to change its core support systems to ensure it could continue to meet the demands being generated by constant business growth. ESP chose SAP® Business One to streamline its processes through one integrated solution.

AT A GLANCE

Website:
- www.esp.co.nz

Key Challenges:
- Resource tracking
- Feasibility of opportunities and people
- Ability to support demands being generated by constant business growth

Project Objectives:
- Single integrated solution
- Scalable solution
- Eliminate double entry
- Adequate security

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Trusted brand
- Scalable solution
- Industry STD DB
- 600D fit
- Functionality

Implementation Highlights:
- Fast implementation
- Ease of delivery
- Ease of employee pick-up

Key Benefits:
- Feasibility of operations
- Dramatic improvements in activity and financial reporting
- Job costing module
- Web Portal to log jobs and hours from any location at anytime, also allowing back office automation
- Reduced time taken on administration processes

Channel Partner:
- Enprise Solutions

Database:
- MS SQL

Operating System:
- Microsoft Windows 2005 XP Server

For the past 11 years, New Zealand-based Expert Solution Providers (ESP) has been advising companies on the most appropriate ways of ensuring the security of their systems. Through a combination of consultancy and on-the-ground support, ESP assesses client needs and then works to implement appropriate technologies.

"Before SAP, it could take a week to 10 days before we knew our situation at month's end. Now I'm just a few clicks away from knowing exactly where we are at any single point in time."

Mr. John King, Director, Expert Solution Providers

As organisations become increasingly reliant on IT to support daily business tasks, ensuring systems remain secure becomes critically important.

Inadequate security can result in viral and hacker attacks on core systems, or the theft of sensitive data by unauthorised parties. The bottom line is disrupted business activity, and lost profits.

Working with large and medium-sized companies across New Zealand and Australia, ESP's teams of engineers monitor networks and core systems to ensure they remain operational and are able to withstand any threats.

ESP director John King said the company's proactive approach had led to strong growth throughout its history.

There are now 20 staff working from offices in Auckland and Wellington.

About 18 months ago, ESP realised it needed to change its core support systems to ensure it could continue to meet the demands being generated by constant business growth.

"We had evolved to the point where we had a collection of software that included an accounting package, SugarCRM, a QuoteWerks quotation system and a range of spreadsheets supporting numerous manual processes," he said. "We were keen to find a single system that could meet all our requirements."

A range of options was considered. ESP investigated upgrading existing applications and looked at a range of all-inclusive software packages. Eventually, with assistance from technology partner ENPRISE SOLUTIONS, the decision was taken to implement SAP Business One.

"We found we didn't have to make many changes to our existing practices. This made the implementation process relatively pain-free."

Mr. John King, Director, Expert Solution Providers

Once operational, the benefits offered by SAP Business One quickly became evident, with ESP experiencing dramatic improvements in activity and financial reporting. Also of great importance is the job costing module, an SAP-certified solution developed by ENPRISE to build upon the integrated financials, sales, service and manufacturing capabilities of SAP Business One.

For ESP, using the job costing solution streamlined the way engineers accounted for their activities.

"We now have a web portal through which engineers can log their jobs and hours from any location," said Mr. King. "Previously this took hours to be entered into a spreadsheet and then be re-entered by admin staff into the billing system. The process is now automatic."

Mr. King estimates this feature alone has saved the equivalent of one administrative staff member. It has also reduced the time taken to generate invoices for customers.

"Engineers can now see all their activities presented in a calendar format, which helps with their time planning and customer service," he said.

With SAP Business One, financial and accounting reports that previously took days to compile are now accessible within minutes.

"Before SAP, it could take a week to 10 days before we knew our situation at month's end," said Mr. King. "Now I'm just a few clicks away from knowing exactly where we are at any single point in time. This makes a dramatic difference and is something we have been wanting to achieve for a long time."

To reduce the likelihood of problems during the changeover period, ESP opted to continue to run its existing systems in parallel with SAP Business One for the first few months.

"This allowed people to query the old system if needed, but to be honest, the number of queries needed have been very low," said Mr. King.

Implementation of the new system was aided by the fact that the company already had clearly defined processes in place. Although many of them were handled manually, this provided a good foundation for the SAP roll-out.

That said, ESP and ENPRISE did undertake some custom configuration creating User Defined Fields to cope with the complex pricing schedules used within the firm.

Once the new system has been completely implemented, Mr. King said there were other features he planned to use to further streamline operations.

One is the service contract database within SAP Business One that automatically tracks when software licenses and hardware contracts are due for renewal. "At present we are tracking these things using a spreadsheet but SAP Business One will make this much simpler," he said.

Plans are also under way to make use of the SAP asset register function to track depreciation on equipment, as well as the system's electronic order placement facilities.

"SAP Business One gives us a solid foundation for future growth with an array of features and capabilities, possibly more than we need at present," said Mr. King. "We made the right choice."

FAN YA TAI STREAMLINES WORKFLOW WITH SAP BUSINESS ONE

As it expanded internationally, Fan Ya Tai Asset Management (International) Ltd. needed to introduce world-class business methodologies in-house. SAP® Business One has helped Fan Ya Tai become globally competitive, with integrated, streamlined workflows.

AT A GLANCE

Website:
- www.fanyatai.com

Key Challenges:
- Lacked a unified platform for interdepartmental communications
- Existing software (Excel) lacked accurate comprehensive cost calculation, profit-on-sales, and financial analysis functions

Project Objectives:
- Wanted to automate and standardise the asset management process
- Required a centralised platform for easy collaboration

Solutions & Services:
- SAP® Business One Financial accounting and business partner management modules

Why SAP Solution:
- Met all criteria: could be easily integrated, had rich functionality and flexibility
- Ideal brand image and wide acceptance in the industry reflected well on Fan Ya Tai

Implementation Highlights:
- Implemented in two months
- Easily integrated with existing proprietary accounting system

Key Benefits:
- Company operations run more smoothly now, and are more compliant with corporate governance guidelines
- Accurate data now available in real-time for reports and decision-making
- Collaboration strengthened across all stakeholders
- Comprehensive financial features help improve operating efficiency and productivity

Channel Partner:
- Compass Business Solutions Limited

Existing Environment:
- Proprietary accounting system, Excel spreadsheets

Database:
- SQL 2000

Hardware:
- IBM x226

Operating System:
- Microsoft Windows 2003 Server

To Fan Ya Tai Asset Management (International) Ltd., which offers world-class professional asset management and asset management project services, reliable and highly functional enterprise management software is of paramount importance.

Fan Ya Tai is focusing on developing its business in Southern China, and counts many famous international investment organisations as its overseas clients. The company, which has dual headquarters in Hong Kong and Guangzhou and offices in Tianjin, Xiamen, Haikou, Zhanjiang and Maoming, wanted to complement the systematic expansion of its international business with the automation and standardisation of the asset management process.

"We needed an enterprise management software suite that is both highly flexible and easily integrated. SAP Business One outperformed the solutions from other providers."

Mr. Channel Lin, Chief Financial Officer, Fan Ya Tai Asset Management (International) Ltd

While Fan Ya Tai had an existing system, it did not feature a unified platform for inter-departmental communications. In addition, Fan Ya Tai was using Excel spreadsheets, which lacked accurate comprehensive cost calculation, profit-onsales, and financial analysis functions.

Outstanding Functionality From SAP

Fan Ya Tai approached the search for enterprise management software suitable for small and midsize businesses very seriously. It compared and analysed a wide range of offerings from local and international vendors. Fan Ya Tai had encountered the SAP enterprise solution at its former parent company, and had been highly impressed with SAP functionality. The company finally decided on SAP Business One when it found it to be the only solution able to satisfy their requirements.

"We needed an enterprise management software suite with a comprehensive array of functions that was both highly flexible and easily integrated. SAP Business One outperformed the solutions from other providers," explains Fan Ya Tai's Chief Financial Officer, Mr. Channel Lin.

"While choosing and using appropriate software, the brand image and degree of acceptance of a supplier throughout the industry are extremely important, because it affects the view clients have of Fan Ya Tai and the confidence they have in our service quality. The brand image and product quality of SAP Business One are both exceptional, and gives our clients a feeling of confidence and security," he adds.

Extremely Fast Implementation

Fa Ya Tai's SAP Partner gave exemplary services, says Lin, resulting in SAP Business One being implemented in just two months. "Compass Business Solutions Limited gave us professional, conscientious service and considered opinions, and was able to make enhancements and provide support with our requirements in mind," says Mr. Lin.

Although Fan Ya Tai has only worked with SAP Business One for a short period, the company is running more smoothly, more quickly, and more effortlessly than before. The comprehensive financial management system, range of currencies supported, inter-bank coordination and financial budgeting features in SAP Business One have helped the enterprise improve operating efficiency and productivity.

"Seamless integration of SAP Business One with the company's operating system allows clients to monitor the status of every asset in real time and further improves the competitiveness of the company," Mr. Lin says.

Fan Ya Tai is especially happy with the scalability that SAP Business One has enabled, in addition to its enabling of increased company transparency and better compliance with good corporate governance requirements.

The XL Reporting System in SAP Business One has been fully integrated with Fan Ya Tai's own simple, proprietary accounting system, which supports as many as 20 nonstandard formats and individually-defined reports used to track capital flow. "The XL Reporter interface is both simple and easy to use, and its drag-and-drop, scheduled reporting and other functions are able to display the latest, most comprehensive and accurate data in real-time using the Excel reporting and graphical formats," says Mr. Lin. "It can also output reports and completely integrate data at fixed intervals, and makes company business operations clear at a glance."

"Seamless integration of SAP Business One with the company's operating system allows clients to monitor the status of every asset in real time and further improves the competitiveness of the company."

Mr. Channel Lin, Chief Financial Officer, Fan Ya Tai Asset Management (International) Ltd

Industry Respect Gained

Thanks to SAP Business One, Fan Ya Tai has improved business process efficiency and developed numerous business opportunities. Fan Ya Tai firmly believes that the professional features and fully-fledged functionality provided by SAP Business One have improved the company's image, and strengthened collaboration between employees, partners, suppliers, and clients – a win situation in all ways.

SAP BUSINESS ONE PROVIDES MARKET ADVANTAGE FOR PTC INTERNATIONAL

PTC International needed an integrated business management system to handle its diversified offerings, and expand into China. SAP® Business One fits the bill, integrating data across departments, streamlining workflows, and providing up-to-date data for decision-making.

AT A GLANCE

Key Challenges:
- Existing systems could not keep up with the company's expansion requirements
- Original sales software was structurally limited, lacked upgrade and expansion capabilities, and unable to systematically process repetitive data analysis work and accounting reports
- An interdepartmental resource sharing platform that could synchronously integrate data was needed

Project Objectives:
- Solution that can integrate data across the company and grow with PTC as it expands into China
- Solution has to comply with ISO 9001:2000 and promote good corporate governance
- Must present crucial business information in real-time for informed decision-making
- Should streamline business processes, reducing the need for inefficiencies such as redundant data input

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- Designed for small and midsize business
- Aligned with company objectives
- Contains a comprehensive set of functions, and is flexible, scalable and easy to use
- Reasonably priced

Key Benefits:
- Software scales with continued business expansion
- Simplified work processes such as data input procedures, thereby improving work efficiency
- Effectively links sales, account management, customer services and stock data together via a centralised data processing system
- Unified data enables management to obtain the latest and most accurate information
- Increased company transparency helps implement good corporate governance

Existing Environment:
- Proprietary accounting system, Excel spreadsheets

Hardware:
- HP Proliant DL380 G4 Server Xeon 3.2G, 4GB RAM, 5x 73GB HDD 10k

Operating System:
- MS Windows 2003 Server Edition

PTC International Limited, a high tech trading, marketing and distribution company, offers monitoring expertise for a wide range of industry verticals. In addition to providing high tech meteorological, broadcast and telecommunications, radiation measurements and sources, life science, and environmental monitoring instrumentation and equipment, PTC also aims to offer the most comprehensive range of technical and support services possible. This include installation, training, maintenance, operation, assembly and project management.

"SAP Business One solution is designed specifically for small to midsize businesses. Not only is it capable of enhancing our business processes, it can be adapted to suit our growing needs and corporate objectives too. It is definitely the ideal choice."

Mr. Daniel Hsu, Deputy General Manager, PTC International Limited

The growing number of products and services, coupled with PTC's aim to comply with the ISO 9001:2000 quality management standard and its plans to penetrate the Chinese market further, led to a number of challenges for the company. In order to overcome these problems

and ensure that its growth strategy stays on track, PTC decided to upgrade its existing IT infrastructure using SAP Business One.

Old System Unable to Grow with Company

After reviewing its IT infrastructure, the management realised that the company was operating on a system that was simply not optimised for efficiency and growth. Each department was using standalone software that were incompatible with one another, which meant that departmental information could not be integrated and shared across the company. Furthermore, the existing sales software had structural limitations and lacked upgrade and expansion capabilities. It was also unable to systematically process accounting reports or handle repetitive data analysis work.

The result? All reports required by management had to be manually input. Not only was this time consuming, it required huge amounts of labor resources which could otherwise be allocated to more business-critical tasks. PTC was also hampered in managerial decision-making, as useful information could not be acquired on-the-fly.

"SAP has effectively created a systematic workflow and optimised our company processes, enabling us to increase efficiency and sharpen our competitive edge. More importantly, it complements the direction of PTC's future development in Hong Kong and mainland China."

Mr. Daniel Hsu, Deputy General Manager, PTC International Limited

"We had problems identifying the customers' and market's demand. So we decided to use the latest technology to help us monitor, manage and develop our products and services in the most optimised and cost efficient manner," says Mr. Daniel Hsu, Deputy General Manager, PTC International Limited.

When PTC set up an office in Shenzhen to serve clients in South China, the company sought a computer system and business software to complement their expansion, integrate business operations and increase operation efficiency. A reasonably priced, functionally rich and flexible information management system would be indispensable.

Mr. Hsu explains, "We were determined to develop our business in mainland China. An integrated business solution that could comply with our ISO 9001:2000 quality management standards and connect our mainland operations to our headquarters in Hong Kong would be most ideal."

"As a high tech company, effective information management is the key to PTC's success. A suitable system can ensure that the company's day-to-day operations complement economic performance. Most importantly, management would be able to get crucial information and data quickly and accurately in order to better understand the business and make intelligent decisions," he explains.

Functionality and Price Are Key Deciding Factors

To complement the company's future development, PTC decided to introduce SAP Business One to knit its disparate systems together. The SAP solution would also be able to fully integrate data company-wide, simplify business processes and distribute data more effectively.

Elaborating on the reason why SAP was selected, Mr. Hsu says that SAP Business One is a comprehensive business solution that is reasonably priced. Another plus is that it has an interface that is easy to learn and use.

"SAP Business One is designed specifically for small to midsize businesses. Not only is it capable of enhancing our business processes, it can be adapted to suit our growing needs and corporate objectives too. It is definitely the ideal choice," he says.

Enhanced Efficiency, Productivity

PTC has reaped many benefits from deploying SAP Business One. By streamlining the company's work processes using the SAP solution, staff's productivity has improved and it has also brought about data transparency, which has advanced PTC's corporate governance effort.

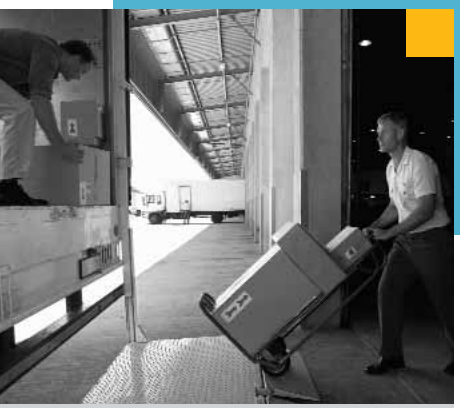
"Data does not need to be entered multiple times now. This has reduced the amount of manual labor needed, and solved the discrepancies between accounting data and the true business status," says Mr. Hsu.

SAP Business One has also linked sales, account management, customer services and stock data together in a centralised system. "SAP has effectively created a systematic workflow and optimised our company processes, enabling us to increase efficiency and sharpen our competitive edge. More importantly, it complements the direction of PTC's future development in Hong Kong and Mainland China," adds Mr. Hsu.

"SAP has effectively created a systematic workflow and optimised our company processes, enabling us to increase efficiency and sharpen our competitive edge. More importantly, it complements the direction of PTC's future development in Hong Kong and Mainland China."

Mr. Daniel Hsu, Deputy General Manager, PTC International Limited

Today, PTC has offices in Hong Kong, Shenzhen and Shanghai. And with its flexibility and scalability, SAP Business One continues to be part of PTC's future expansion plans.



INDOLOGISTICS PAVES THE WAY FOR FUTURE GROWTH WITH SAP BUSINESS ONE

Headquartered in Indonesia, PT Sentra Indologis Utama (INDOLOGISTICS) is a logistics, courier, and transportation company with a staff strength of 700. Its clients include Nokia, Indosat, Alcatel, and Toyota Astra Motor. SAP® Business One was implemented within 5 weeks.

AT A GLANCE

Key Challenge:
- Integrate business processes for better control and visibility across the organisation

Solutions & Services:
- SAP® Business One

No. of Users:
- 17

Length of Implementation:
- 5 weeks

Key Benefit:
- Improve efficiency and management of its supply chain, sales, invoice, payments, and customer delivery operations

Channel Partner:
- Berlian Sistem Informasi

PT Sentra Indologis Utama (INDOLOGISTICS) may be a young logistics, courier, and transportation company of five years but it has already experienced phenomenal growth with an increasing number of customers, projects, and employees under its wings. However, as the company increased in size, the management realised its Microsoft Access and simple general ledger software were no longer sufficient in helping management control and gain visibility of the organisation.

> **"SAP is a very strong brand name and we feel proud to be associated with it. Implementing SAP shows our customers and prospects that we are an efficient company that provides excellent reliable service at the highest value."**
>
> Mr. Retno Budisetiati, Managing Director, PT Sentra Indologis Utama (INDOLOGISTICS)

After an extensive search for an integrated enterprise resource planning (ERP) system, INDOLOGISTICS concurred that SAP Business One was a comprehensive solution for its business requirements.

SAP Business One is affordable, quick to implement, and easy to use. Moreover, its scalability allowed INDOLOGISTICS the ability to transition seamlessly onto a larger and more complex ERP platform in the future. The software is now used to integrate INDOLOGISTICS' business processes, and provide maximum visibility and control. For the future, the company looks forward to efficiency improvements in areas such as supply chain management, sales, invoice, payments, and customer delivery.

SHANGHAI DEWEI HOLDINGS INTEGRATES MULTIPLE BUSINESSES WITH SAP'S HELP

Established in 1995, the 100-staff strong Shanghai Dewei Holdings is an investment and trading company. It operates seven subsidiaries in diverse industries such as real estate, costume design, building materials, and ornaments.

AT A GLANCE

Key Challenge:
- Integrating business divisions and work flow of seven subsidiaries with headquarters

Solutions & Services:
- SAP® Business One

Length of Implementation:
- 70 days

Key Benefit:
- Improved productivity and real-time access to critical business information

Channel Partner:
- Shanghai TechSonic Information Technology

Database:
- Microsoft SQL Server 2000 Service Pack 3

Operating System:
- Microsoft Windows 2000 Server

Before Shanghai Dewei Holdings implemented SAP® Business One to integrate all the business divisions of its seven subsidiaries together, collecting information such as leasing documents and account receivables even within one subsidiary was a tedious affair. Employees had to manually collate reports from various departments before they could present it to the management. And although China-based Dewei tried customising enterprise software, they could not achieve the required end-to-end integration as the software only excelled in certain business functions.

SAP Business One not only standardised Dewei's processes across all its departments and subsidiaries, it also created a centralized management system. This means staff only needs to input data once into the system and relevant managers at the parent company will be able to retrieve up-to-date and detailed customer, financial, logistics, inventory, marketing information. This facilitates decision making and enhances business efficiency.

> **"Domestic software share something in common. Some software are powerful in financial management and others in internal information management; few of them can integrate the whole business like SAP Business One."**
>
> Mr. Yang Zhen, Deputy General Manager, Shanghai Dewei Holdings

For instance, the group can now manage and analyse 680,000 agent products of its subsidiary, Dewei Automation Company, as well as its suppliers' inventory through a supply chain management system.

WIDERTHAN.COM WIDENS BUSINESS AVENUES WITH mySAP ALL-IN-ONE

WiderThan.com is an innovative mobile Internet solution and service provider. Founded in 2000, the company provides services to 42 wireless carriers in 17 countries, including Cingular Wireless and Verizon Wireless. mySAP™ All-in-One was implemented within 4 months.

AT A GLANCE

Key Challenge:
- Source for alternative business avenues due to saturated market

Solutions & Services:
- mySAP™ All-in-One

Length of Implementation:
- 4 months

Key Benefits:
- Quicker response market changes
- Improved operating efficiencies as a result of an integrated enterprise platform
- Improved business reporting, facilitating timely decision making

Channel Partner:
- BSG

Hardware:
- IBM xSeries 255

After enjoying a period of impressive growth after the launch of ColoRing, a ringtone service with SK Telecom, WiderThan.com found the market soon saturated with players launching similar competitive services. In order to sustain profitability, the company realised it must explore and develop alternative business avenues.

> **"Implementing SAP has improved our business performance since performance analysis and decision making are now based on accurate data instead of projected information."**
>
> Mr. Ju Yong Jung, Senior Manager, Department of Strategic Planning, WiderThan.com

Before it could do this, it had to get its house in order first by maximising efficiency and minimising operating costs. This was problematic as WiderThan.com lacked an enterprise management system that could integrate all its department together and present business critical data as a cohesive whole. Instead, the management had to rely on Microsoft Excel to conduct performance analysis, which made it difficult to manage costs.

To reduce manpower wastage and leverage on accurate, real-time data for business analysis and development, WiderThan.com deployed mySAP All-in-One. WiderThan.com's cost and profit analysis abilities have since improved as management is able to utilise SAP's powerful reporting features to match and compare data from individual project plans. In addition, performance reports can now be compiled and disseminated within two days after accounts are closed, facilitating quick and timely decision making.

Retail

Indonesia

Retail

mySAP BUSINESS SUITE AND SAP FOR RETAIL HELP PT MITRA ADIPERKASA ACHIEVE BETTER CORPORATE GOVERNANCE

PT Mitra Adiperkasa Tbk (MAP) needed to improve its customer value through streamlining business processes group-wide and obtaining high-quality feedback on key performance indicators. It chose mySAP™ Business Suite and SAP® for Retail and has been able to monitor its business more accurately and increase operational efficiency in under a year.

Through sheer passion and professionalism, PT Mitra Adiperkasa Tbk (MAP) has established itself as a leading player in the upscale retail sector in Indonesia with a footprint that stretches more than 240,000 square meters. Currently, it owns over 500 stores in prime retail locations throughout 22 major Indonesian cities. Moreover, MAP has evolved from being just a retail company. It has broadened its business model to include retail, distribution, marketing and manufacturing. This multi-faceted diversification is already paying rich dividends.

"SAP enhanced our decision-making processes and standardised procedures and processes across all business units. It has improved our evaluation and monitoring of key performance indicators."

Ms. Susiana Latif, Chief Financial Officer, PT Mitra Adiperkasa Tbk

As a listed company on the Jakarta Stock Exchange, MAP has to optimise its diverse operations to maximise shareholder value. Its internal processes – from brand strategy, quality of service to IT architecture – must be consistent and capable of supporting its customer value proposition.

SAP Provides Strategic Fit

While MAP recognised that there was an urgent need to access accurate management information transparently to achieve its goals, multiple data sources were causing delays

AT A GLANCE

Website:
- www.map.co.id

Key Challenges:
- Existing business processes required a significant amount of manual data entry
- Multiple sources of data hampered data capture and reconciliation between various departments, which delayed availability of accurate, timely information
- Operations were not integrated across the various business functions, leading to much work duplication across units

Project Objectives:
- Gain better-quality data to enhance decision-making
- Streamline and integrate business processes

Solutions & Services:
- mySAP™ Business Suite, SAP® for Retail

Why SAP Solution:
- Assurance that SAP, as a global IT partner, can support MAP's long-term needs
- SAP's strong global support and maintenance services
- SAP's reputation for providing comprehensive, integrated end-to-end functionality across the entire supply chain
- Met MAP's requirements for operational efficiency and improved decision-making

Implementation Highlights:
- Accelerated SAP methodology was used
- SAP GoingLive™ Check was used before implementation, followed by the SAP EarlyWatch® Alert
- SAP EarlyWatch Check and SAP Customer Message were deployed during the post-implementation stage
- Implementation completed in 10 months

Key Benefits:
- Accurate information on key indicators available immediately for more informed decision-making
- Business processes now standardised and tightly integrated across all business units, with improved workflow and automation
- Procurement process in particular was significantly improved

Hardware:
- Sun Microsystems Operating System
  Sun Microsystems Solaris

in data collection and reconciliation from the various departments. The delays not only affected information availability, but also its accuracy and timeliness. At the same time, MAP's operations were not integrated across the various business functions. There was a significant amount of manual data entry, and much work duplication across various business units. These challenges inhibited the growth of individual business unit, and in turn, the growth of the whole organisation.

The company found that compared to its nearest competitors, SAP is well known for providing comprehensive, integrated end-to-end functionality, including retail, merchandising, logistics and warehousing expertise, as well as accounting and financial packages. SAP would enable MAP to attain operational efficiencies and improve decision-making, deciding factors that led to the selection of mySAP Business Suite and SAP for Retail as MAP's solutions of choice.

"We are getting better quality information using SAP. SAP solutions are a major cornerstone in the company's ability to deliver its customer value proposition and to fulfill its strategic objectives."

Mr. Aphedy Soejanmoko, Head of IT, PT Mitra Adiperkasa Tbk

Mr. Aphedy Soejanmoko, Head of IT, MAP, says that SAP would provide MAP the "comfort factor" of having a global IT partner capable of supporting its current and future needs. "SAP is seen as a visionary solution provider with strong global support and maintenance services," notes Mr. Soejanmoko.

Accelerated Implementation

The Accelerated SAP (ASAP) methodology was employed, ranging from project preparation, business blueprint, realisation, final preparation, as well as go 'live' and support modules. According to Mr. Soejanmoko, the big picture involved implementation in both the retail stores and head office for sales, finance and administration, logistics, and purchasing (including SAP warehouse management).

"This was executed to perfection in just 10 months," says Mr. Soejanmoko. "The challenge was for the implementation team to achieve a proper balance between the complexity and sheer size of MAP's business, the functionality offered by SAP and ensuring that the new processes adhere to international best practices."

"All in, it was an aggressive implementation process that took less than one year, inclusive of pre-implementation and post-implementation stages. The SAP GoingLive™ Check was used before implementation, followed by the SAP EarlyWatch® Alert. SAP EarlyWatch Check and SAP Customer Message were deployed during the post-implementation stage. These were seen as necessary steps to avoid any inconsistency with the existing system, as well as to cut costly delays in downtime once SAP's applications were fully deployed."

Better, Faster Decision-Making

Once the SAP solutions became fully operational, the benefits to the organisation were almost instantaneous. "SAP enhanced our decision-making processes and standardised procedures and processes across all business units. Significantly, it has improved our evaluation and monitoring of key performance indicators, thereby building a solid foundation for corporate accountability and responsibilities throughout the rank and file of the company," says Ms. Susiana Latif, Chief Financial Officer, MAP.

Notably, MAP simplified its procurement process. In order to pay for purchases, an article master was created using SAP's front-end solution to manage its Central Data Management. Merchandisers from all divisions could then create purchase orders using the article master embedded in the database. When the goods arrived at the warehouse, the procurement would be carried out based on the purchase order already in the system. This enabled the finance department to verify the vendor invoice based on the purchase order for payment. An interface program was also created to send the purchase order data to point-of-sale (POS) systems in the stores, assisting the storekeepers in tracking and receiving goods. The MAP group of companies was thus able to monitor its inventories and adjust levels based on sales.

"SAP is seen as a visionary solution provider with strong global support and maintenance services."

Mr. Aphedy Soejanmoko, Head of IT, PT Mitra Adiperkasa Tbk

Relying On SAP

"We are getting better quality information using SAP. SAP solutions are a major cornerstone in our company's ability to deliver our customer value proposition and to fulfill our strategic objectives. There is no doubt we will work with SAP as our strategic IT partner to ensure that we remain ahead of the curve and enhance our business model on all fronts," conclude Ms. Latif.

For a large, diverse organisation like MAP, SAP solutions are not only seen as a necessity to rationalising the organisation. The company's effective implementation is also viewed as a feather in its cap.

Singapore

Retail

WMF SINGAPORE GETS BETTER BUSINESS INSIGHTS WITH SAP BUSINESS ONE

With business increasing exponentially, WMF Singapore Pte Ltd needed a new IT system to effectively organise the large volume of data it had to deal with daily. Upgrading to SAP® Business One has resulted in more efficient workflow across the company and enabled management to gain better insights into business performance.

As the Asia Pacific headquarters, WMF Singapore Pte Ltd handles large amounts of inventory, up to 2,000 items worth S$3 million at any one time. Combined with its status as a public listed company in Germany, the organisation's business and accounting processes have to be highly visible at all times.

"We decided to use SAP based on good reviews from WMF Germany. The good thing about it is that not only did SAP Business One meet our expectations, it also provided us with the most cost-effective solution."

Mr. Klaus Stock, Managing Director, WMF Singapore Pte Ltd

However, WMF Singapore's five-year old IT system had become too outdated to be able to provide staff and management with timely reports that were suitably comprehensive. In addition, the reports could not be customised according to management's needs.

"We realised that as the business grew, we needed an IT system that could help us deal effectively with the large amount of data and inventory that we were handling. Our previous system was not producing reports with enough detail," says Mr. Klaus Stock, Managing Director, WMF Singapore.

The lack of integration across the various departments further prevented management from getting an accurate

AT A GLANCE

Key Challenges:
- Lack of integration of business processes
- Reports could not be customised and some information was not easily accessible
- Old system was outdated and lacked scalability
- Accounting process was time-consuming and tedious
- Inventory management was not as effective as desired

Project Objectives:
- Implement an integrated system to create greater visibility of all business processes and produce more detailed reports
- Implement a scalable system to support growing business
- Improve management of accounts and inventory

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP is an reputable brand, used also by the WMF head office in Germany
- SAP Business One is in line with WMF's project objectives
- Sabre Information Services, SAP's partner, showed commitment and deep understanding of WMF's requirements

Implementation Highlights:
- System implemented in one month with a three-month parallel run

Key Benefits:
- Better integration across the company
- Increased efficiency in workflow processes
- Great improvement in inventory management and sales process
- Detailed sales and inventory reports for future business planning
- Stock taking process reduced from three days to one

Channel Partner:
- Sabre Information Services Pte Ltd

overview of the company's operations, and hampered their ability to make prompt business decisions. It also meant that accounting and inventory management were time-consuming processes, leading to inefficiency within the company.

WMF Singapore decided it needed an upgrade from its archaic DOS accounting system. The wishlist for the new system included more centralised data so that all business processes could enjoy greater visibility, as well as the ability to produce detailed sales and financial reports. The scalability of the system was also important, to "grow as the company grows", says Mr. Stock.

SAP's Reputation Seals The Deal

However, WMF discovered that even after upgrading the old system with a newer Windows version, its requirements would still not be met. Mr Stock decided that implementing an entirely new system would be the better choice. This way, WMF Singapore could ensure that its changing business needs could be fulfilled.

SAP stood out as the ideal solutions provider. It was also the software vendor engaged by WMF in Germany, which had given positive feedback on the reliability of SAP's solutions. More importantly, SAP Business One was exactly in line with WMF Singapore's requirements for its new system, hence sealing the deal for SAP.

"We decided to use SAP based on the good reviews from WMF Germany. The good thing about it is that not only did SAP Business One meet our expectations, it also provided us with the most cost-effective solution," says Mr. Stock.

In addition, WMF Singapore liked the commitment and knowledge offered by Sabre Information Services Pte Ltd, SAP's channel partner.

With disciplined management of the project time schedule, implementation of SAP Business One was completed in one month. Thereafter, WMF Singapore and Sabre maintained the parallel run for three months, in order to ease the company into its new system and ensure that all data was properly transferred.

"Using SAP Business One, we now have easy access to all details, such as prices, invoices, revenue and profit all in the same document. It has saved us much time and effort."

Ms. Mariana Osman, Administration/Finance Manager, WMF Singapore Pte Ltd

"I was very impressed with how smoothly the implementation went," says Mr. Stock. "There was great collaboration between Sabre and my staff, which resulted in a painless transition to the new SAP system."

A Clearer Picture For WMF

After using SAP Business One, the benefits of implementing SAP are quite apparent. Efficiency across the organisation has increased greatly. Sales reports are much more detailed now, enabling staff to see at a glance the current status of their sales and inventory, hence allowing them greater flexibility and ease in their work.

"For instance, we have to produce a monthly report that involves information from many locations. With the old system, we could only retrieve some of that information, and we would have to manually compile all data into one report. Using SAP Business One, we now have easy access to all details, such as prices, invoices, revenue and profit all in the same document. It has saved us much time and effort," explains Ms. Mariana Osman, Administration/Finance Manager, WMF Singapore.

This ability to produce detailed reports has also been extremely useful for collating WMF Singapore's income statements and balance sheets, particularly important because of the company's need for accountability.

"With our previous system, I could not print out our financial statements automatically. I also had to manually extract the figures from our China and Singapore offices from all the data, and then print them separately. But with the SAP system, all the information is there and it's also much easier to retrieve," says Ms. Kee Ping Ping, who is responsible for accounts in WMF Singapore.

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Ms. Kee Ping Ping, who is responsible for accounts in WMF Singapore Pte Ltd

Inventory management has improved as well, with the stock-taking process reduced dramatically from three days down to just one day. Having integrated the inventory and sales processes onto a single system, it is now also possible for staff to create and maintain different price lists. This is especially useful for the China market, for which there has to be a lot of price differentiation.

"SAP Business One has made our lives easier and given us a lot more convenience," says Ms. Osman.

Full Steam Ahead

Going forward, Mr. Stock plans to analyse the comprehensive reports generated by SAP Business One in greater detail and use them as forecasting tools for business planning. He believes that the information will be especially important in helping management analyse the performance of different product lines and make prompt business decisions accordingly.

Looking further ahead, Mr. Stock also hopes to expand SAP Business One in line with the company's growth plans and enable online access to the point-of-sales systems in retail shops where WMF products are sold. This will allow for greater sales insights from the retail outlets, ultimately strengthening WMF Singapore's competitive edge.

COFFEE CLUB RUNS SAP

PARCO SUPERMARKET KEEPS DATA FRESH WITH SAP BUSINESS ONE

Parco Supermarket's expanding business required it to deploy a system that could enable a complete view of the entire business and help it control its operations better. SAP® Business One provided the real-time reports that help Parco make more effective decisions.

AT A GLANCE

Key Challenges:
- Aggressive competition required better business processes in place
- Keeping track of transactions stored in filing cabinets was difficult
- Real-time marketing reports could not be generated
- Could not easily get an overall view of all divisions in the business

Project Objectives:
- Automate and integrate business processes
- Consolidate corporate-wide data to reflect an overall view of the company in real-time and help in strategy planning
- Easily access inventory details, conduct price checks and stock transfers
- Ability to access data easily using PDAs

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP is a reliable, proven brand
- SAP Business One integrates functions and tasks handled by different departments
- SAP Business One allows real-time decision making and strategy planning

Key Benefits:
- Integrates the entire business, gives a complete view across the company's many divisions
- Automates business processes
- Easy generation of real-time status reports and transaction data crucial to decision-making
- Personnel can access inventory details, conduct price checks and stock transfers using PDAs

Channel Partner:
- ANSI Information Systems, Inc.

Small and midsized enterprises (SMEs) which play in the fast-paced, highly competitive retail industry in the Philippines are continually looking for ways to enhance their business processes and operations.

Parco Supermarket is no exception. A household name in the Philippines, Parco has been steadily expanding its operations over the past 22 years and now has three main branches in Caloocan, Quezon Avenue and Marikina, within Metro Manila. To maintain its growth, Parco Supermarket knew it had to move away from storing information on transactions in physical filing cabinets and invest in an efficient business solution.

"With the SAP Business One system in place, our personnel now have access to inventory details and can even conduct price checks and stock transfers using their personal digital assistants (PDAs)."

Ms. Genevieve Ong, IT Systems Administrator,
Parco Supermarket

Parco's existing system did not allow it to keep up with both partners and competitors. It not only caused difficulties for data retrieval and report generation, but also lacked the ability to reconcile data from different departments that would otherwise have helped in decision-making.

Branding and Rich Functionality Help Parco Decide

Parco Supermarket chose SAP for its strong reputation, and liked the way SAP Business One could consolidate data from the sales, inventory and financial departments for strategic planning.

The company worked with ANSI Information Systems, Inc., one of SAP Philippines' accredited partners for SAP Business One, to integrate its point-of sale (POS) system with SAP Business One. The focus was on creating an easy-to-use working environment with a centralised data repository.

Uniting Independent Divisions

Since its implementation, SAP Business One has enabled better control of daily operations and a complete view of the entire business. The company now enjoys automated, straight-through business processes that aid in generating accurate real-time results crucial to decision-making.

"Generating reports has been very easy for the company's staff, particularly those in our sales and marketing and finance departments. We can extract data from almost any division. Management can easily check the status of our customer and supplier database, net and gross profits and revenue analysis."

Ms. Genevieve Ong, IT Systems Administrator, Parco Supermarket

"Keeping track of all the transactions done between our main office, suppliers and business partners is something that filing cabinets cannot accommodate," says Ms. Genevieve Ong, IT Systems Administrator, Parco Supermarket. "With the SAP Business One system in place, our personnel now have access to inventory details and can even conduct price checks and stock transfers using their personal digital assistants (PDAs)."

Ms. Ong adds that SAP Business One's Drag & Relate feature makes it easier for their personnel to monitor and properly reference all transactions made for a particular supplier or business partner–ensuring that all system data is relevant at any given time.

Parco Supermarket's satisfaction with SAP and ANSI's performance on the solution has resulted in further tie-ins between the companies. ANSI is currently working with Parco Supermarket to put a planned customer loyalty campaign in place and integrate supplier database and system information into SAP Business One. In addition, ANSI will be completing the integration of the Bureau of Internal Revenue's (BIR) relief tax system with SAP Business One at the company to maximise the company's investment.

SAP has helped lower the total cost of ownership (TCO) and increase productivity of the retailer. The solution also succeeded in centralising individual divisions at Parco Supermarket, allowing the SME to keep growing its business whilst enhancing its processes and operations.

SAP BUSINESS ONE JUMPSTARTS BETTER DECISIONS AT SOUTH STAR DRUG

The South Star Drug chain had to deal with theft and financial reports which were unacceptably late until it installed SAP® Business One. It has become more competitive as it can now leverage up-to-date data for efficient decision-making. Inventory is also monitored closely so that pilferage is caught immediately.

AT A GLANCE

Website:
- www.southstardrug.com.ph

Key Challenges:
- Inventory and point-of-sale systems could not detect pilferage until months later
- Financial reports generated were too late to be of use

Project Objectives:
- To track inventory closely to discover pilferage as soon as possible
- To consolidate data and make it immediately available for financials and other reporting

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP Business One offers rich functionality
- Solution fit within project budget
- Vendor is reputable and stable

Implementation Highlights:
- Implementation took seven months
- SAP Business One was integrated with existing point-of-sales and inventory management systems

Key Benefits:
- Pilferage detected immediately
- Up-to-date reports of corporate data easily generated for effective decision-making

South Star Drug, one of the top five retail pharmacy chains in the Philippines, attributes its success over the past 69 years to opening in relatively remote areas, offering competitive prices, and making a wide range of medicines readily available. The company started in the Bicol region in 1979, and branched farther out in the 1980s and 1990s.

The management of the drugstore chain knew that it had to take control of the business to grow, and began automating its operations as early as 1986. "Pilferage is the top problem in the retail pharmaceutical industry. We decided to create an inventory management system to monitor stocks and track theft," says Mr. Manuel Dy, Sales and Marketing Vice President, South Star Drug.

"SAP is known for its enterprise resource planning expertise, and SAP Business One met all our requirements."

Mr. Manuel Dy, Sales and Marketing Vice President, South Star Drug

Addressing Pilferage

But like many established businesses, South Star was still encountering serious problems despite leveraging technology. In 1998, South Star Drug lost P8 million (US$161,000) worth of drugs in six months to big syndicates targeting susceptible employees at the pharmacies.

"Thieves replaced milk in cans in the stores with powdered drugs, so that they paid P900 (US$18) each for cans of milk formula and walked away with P15,000 (US$300) of drugs per can," explains Mr. Dy.

The company quickly responded by developing a point-of-sale (POS) system to supplement the inventory management system. The new system captured and stored sales data, including bar codes and credit card authorisations. But by 2003, management realised the POS system could not produce financial reports quickly enough to make decisions that would help them remain competitive.

Late Reports Hamper Decisions

Mr. Dy explains that the financial aspect is crucial, especially if South Star Drug had to make a decision on a branch that had been performing poorly. "We were just using spreadsheets and got financial reports six months to a year later. The system was just not helping us make effective decisions because the reports were arriving too late."

A negative financial report which takes six months to arrive not only means six months of reduced profits, but also lost opportunity and possible disaster, adds Ms. Dahlia Dy, Vice President, Finance and Distribution. "Six months is too late to cut losses. If you do not have the right tools to get you the information at the right time, it might be too late," she says.

In 2004, South Star Drug searched for a solution that would be flexible yet affordable, and also from a reputable firm with proven stability. The company chose SAP Business One, which integrates critical operations like sales, finance, purchasing and inventory from the mid-market business perspective. "SAP is known for its enterprise resource planning expertise, and SAP Business One met all our requirements," said Mr. Dy.

The company reconfigured and integrated its existing POS and inventory management systems with SAP Business One over seven months with the help of an SAP partner, which helped the company from analysis and configuration through to the adoption stage.

Essential Data Always Available

With SAP Business One, pilferage is no longer a problem as stock movements are monitored much more closely, with hitches in the supply chain flagged at once. The solution has also enabled South Star Drug to generate useful reports on all aspects of the business. "With SAP Business One, we can instantly get the critical data needed for making important business decisions such as determining the financial feasibility of a project," says Ms. Mariel Lee, Finance Manager, South Star Drug. "We can query ratios, compare store performance or yearly budgets."

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Ms. Mariel Lee, Finance Manager, South Star Drug

More importantly, South Star Drug is now able to generate financial reports on store profitability in real time, so management can make swift decisions that impact the bottom line positively. "We treat each branch as a profit center. Up-to-date financial reports mean that we know immediately if we have to close the branch or relocate it based on its performance," says Ms. Dy.

SAP Business One Boosts Business

South Star Drug has grown by leaps and bounds since installing SAP Business One. The company has booked growth of 20% annually rather than the 8-12% previously, and seen 35,000 transactions monthly across the entire business. It has already expanded from 66 to 93 branches, and expects to hit a target of 120 outlets country-wide by the end of 2006.

The Dys say that SAP Business One has helped them compete better and achieve the type of growth they have been aiming for. "There are so many aggressive players in the industry. Competition is so stiff that if we don't act quickly with the right tools, we would be left behind," concludes Ms. Dy.

STARLIKE BOOSTS COMPETITIVENESS WITH SAP SOLUTION

Starlike International had difficulty obtaining accurate reports promptly from its existing business solution for decision making until it discovered mySAP™ ERP. With an integrated system, Starlike's business processes are now streamlined to enhance productivity.

AT A GLANCE

Website:
- www.starlike.com.tw

Key Challenges:
- Internal processes were not integrated to produce on-time and reliable information
- Business procedures required too much paperwork
- Data entry was redundant and subject to human error

Project Objectives:
- Streamline internal processes
- Reduce paperwork
- Eliminate human errors during data entry

Solutions & Services:
- mySAP™ ERP; Materials Management (MM), Sales and Distribution (SD), Financial Accounting (FI) and Cost Control (CO)
- IS-Retail was also implemented

Why SAP Solution:
- Provides seamless integration
- Expertise in sports product management
- Used by many sports companies
- Ability to support future business expansion

Key Benefits:
- Productivity maximised with internal processes streamlined
- Single data entry procedure eliminates errors
- Minimised paperwork

Channel Partner:
- Unisoft

Database:
- Microsoft SQL Server

Hardware:
- HP rx 4640, rx2620, rx2620

Operating System:
- Microsoft Windows 2003 Server

Starlike International, a wholesaler of sports products based in Taiwan, is known for its joint investments with Puma Germany Ltd and Japan's Sanwa Co. Ltd. to create Puma Taiwan Ltd. and Sanlike respectively.

"Data entry has become straightforward for us. Employees have improved their productivity since they do not have to spend time entering redundant data."

Mr. Yang Chunghau, Information Department Manager, Starlike International

Realising that it needed a business solution to help manage its two subsidiaries, Starlike installed a locally-made system to run its resources. However, the management soon realised that the system was also unable to integrate the processes of the parent company with those of Puma Taiwan and Sanlike. It resulted in data reports that were not only slow to generate, but unreliable as well.

It was just as challenging for Starlike to enter data into the system. Starlike staff found that the same data had to be entered at multiple points of various processes, resulting in data that was redundant and subject to human error.

Recognising that the previous business solution could not cope with Starlike's requirements, the management began its search for a replacement solution.

Only SAP for Sporting Excellence

After a three-month evaluation process for a replacement solution, Starlike decided to adopt mySAP ERP with the help of implementation partner Unisoft across Starlike, Puma Taiwan and Sanlike.

The company chose mySAP ERP because of SAP's expertise. "We realised that SAP has developed expertise in sports product management. It is used by many international sports product companies," says Mr. Yang Chunghau, Information Department Manager, Starlike.

A Clearer Picture

Now that business processes among the three companies are integrated, accurate data reports can be obtained in an instant. The management is also impressed with mySAP ERP's ability to drill-down for more detailed information of Starlike's internal processes.

The issue of data errors has been solved too. "Data entry has become straightforward for us. Employees have improved their productivity since they do not have to spend time entering redundant data," explains Mr. Yang.

Not only has mySAP ERP enhanced work efficiency, Starlike has also managed to save paper costs. "With mySAP ERP, we have minimised the paperwork for business procedures, helping to save costs for the company," says Mr. Yang.

"SAP has transformed our business on many levels. I am confident that Starlike now has the solution that will guide us to our next stage of growth."

Mr. Yang Chunghau, Information Department Manager, Starlike International

Starlike is particularly impressed by mySAP ERP's ability to scale with its expansion. Moving forward, Starlike will be looking to expand mySAP ERP with the following modules – Customer Relationship Management (CRM), Business Warehouse (BW), Human Resource (HR) and Strategic Enterprise Management (SEM) modules, as well as widening its current pool of 60 users.

mySAP ALL-IN-ONE FAST FORWARDS TSUTAYA (THAILAND)

Tsutaya Thailand was unable to obtain the comprehensive, real-time data it needed to adapt quickly to market changes until it turned to mySAP™ All-in-One. The integrated system has enabled effective decision making nation-wide, allowing it to serve both customers and franchisees better.

AT A GLANCE

Website:
- www.tsutaya.co.th

Key Challenges:
- Previous system did not obtain data in real time, so business information suffered delays
- Data entry was not streamlined, leading to redundant information
- Few parts of the organisation benefited from the previous IT infrastructure

Project Objectives:
- More reliable, up-to-date data for decision-making and analysis so that the company could react quickly to market changes
- Streamlined workflows internally
- Better manage franchisees
- Enable targeted customer services and promotions

Solutions & Services:
- mySAP™ All-in-One Finance Accounting (FI), Material Management (MM), Sales & Distributions (SD), Business Intelligence (BI), and Project System modules

Why SAP Solution:
- Technology expertise
- Brand credibility
- On-demand infrastructure
- Enabled real-time responses to market changes and consumer behavior
- Seamless system integration
- Ability to support future business expansion

Key Benefits:
- Consolidated, accurate data available for in-depth analyses and decision making
- Streamlined workflows enterprise-wide enhance productivity and reduce redundancy
- Company can react to market changes quickly and avoid potential problems as well as offer targeted promotions and benefits
- 20% cost savings passed on to franchisees and customers

Channel Partner:
- IBM Thailand Co., Ltd.
- JSG Co., Ltd.

Hardware:
- IBM

Watching movies at home in Thailand typically means visiting a Tsutaya store. The no. 1 retail business for entertainment in Thailand already has 2 million households on its membership rolls which buy or rent its video cassettes, Video Compact Discs (VCDs) and Digital Video Discs (DVDs). The company, headquartered in Japan and Thailand, expects bigger volumes of business in the months to come.

"mySAP All-in-One features an on-demand infrastructure and supports real-time responses to market changes. It offers seamless system integration and supports future business expansion."

Mr. Wanchai Phlaphongphanich, CEO, Tsutaya (Thailand) Co., Ltd.

To maintain its leadership status and business momentum however, the management at Tsutaya decided that it needed to upgrade its IT infrastructure. "The company's old system was not obtaining data in a timely manner," explains Mr. Wanchai Phlaphongphanich, Chief Executive, Tsutaya (Thailand) Co., Ltd.

"We were getting delayed and redundant information that could not be used to adapt quickly to changing market requirements."

Relying on SAP Nation-wide

Tsutaya liked the expertise offered by SAP and the credibility of implementation partners IBM Thailand Co., Ltd and JSG Co., Ltd, which helped it install the mySAP All-in-One platform both at its headquarters, and also at the premises of each franchisee nation-wide. The company found that mySAP All-in-One satisfied its requirements on many fronts. "mySAP All-in-One features an on-demand infrastructure and supports real-time responses to market changes and consumer behavior. It also offers seamless system integration and the ability to support future business expansion," Mr. Wanchai explains.

"The integrated system effectively supports the comprehensive utilisation of resources within the organisation, enhances management of our franchisees nationwide, and provides improved services to our 2 million household members. mySAP All-in-One is designed to support every business unit and bring information from internal sources together, yielding true business intelligence and enabling employees to work at full capacity."

Mr. Wanchai Phlaphongphanich, CEO, Tsutaya (Thailand) Co., Ltd.

Tsutaya installed the Finance Accounting (FI), Materials Management (MM), Sales & Distribution (SD), Business Intelligence (BI), and Project System modules and made the commitment to revamp business processes to ensure a successful implementation. Structural changes had to be carried out across the board, including for the accounting, inventory, purchasing, and sales and service systems, as well as for the human resources, information technology management, and video store construction aspects.

Better Market Adaptability

With mySAP All-in-One in place and its business processes re-engineered, Tsutaya can now provide better customer service, and thus better customer satisfaction. The company is more responsive and is able to arrange targeted on-demand promotions and benefits to customers as a result of more accurate in-depth analyses of sales figures. Decision making has been boosted with the availability of reliable, real-time information that is no longer redundant with the streamlining and integration of independent, departmental process workflows.

Better Insights

Tsutaya is especially pleased with the benefits that effective business intelligence can bring. "Employees can extract data from various sources to make decisions, foresee problems, and prevent potential disasters before they can happen. Moreover, such information can allow us to seize market opportunities and reduce IT costs," says Mr. Wanchai.

"We have cut operational costs by 20% so far. Tsutaya can use the budget saved in other management schemes to increase revenue and reduce costs further, including providing more returns to franchisees and better payback to customers."

Having enjoyed the fruits of implementing mySAP All-in-One, Tsutaya is confident that it has the solution for tomorrow. "Everyone reaps benefits from this integrated system," concludes Mr. Wanchai.

CYBERSPEED GROUP POWERS UP WITH SAP

CyberSpeed Group started in 2000 as a computer retailer and has since become a reputable brand with 10 stores in Hong Kong, delivering IT products and quality technical support at competitive prices. SAP® Business One was chosen to improve the efficiency of its business.

AT A GLANCE

Solutions & Services:
- SAP® Business One

No. of Users:
- 22

No. of Sites:
- 18

Length of Implementation:
- 3 months

CyberSpeed Group Company has always believed in delivering quality technical support and products at competitive prices to customers. However, with the restrictive structure of its legacy IT system, it was difficult for CyberSpeed to adapt to the constantly changing preferences of its customers.

> **"SAP Business One is a simple yet powerful corporate solution. It has integrated interdepartmental communication, day-to-day operations and management, and made development planning completely worry-free."**
>
> Mr. Kenny Leung, Managing Director, CyberSpeed Group Company

The system could not be upgraded to suit the company's ever-changing business needs and key business processes could not be linked. It was also incapable of processing heavy data load and managers could not monitor and control sales discounts on the system. To make things worse, data had to be manually entered thereby affecting productivity.

SAP Business One was selected because it was affordable, user friendly and enabled CyberSpeed to integrate key business processes like sales orders, purchasing and financials on a standardised enterprise platform. This means critical data are only entered once and it will be available for processing in real-time across the enterprise.

It also helped management improve information flow between the company, its partners and customers, as well as staff efficiency.

EVER RETAIL GROUP SELLS FOR THE LONG-TERM

10-year-old EVER Retail Group implemented SAP for Retail in three and a half months across its headquarters and 10 stores.

AT A GLANCE

Key Challenge:
- Improve customer responsiveness and time-to-market, and prepare for growth

Solutions & Services:
- SAP® For Retail, SAP® Best Practices for Retail

Length of Implementation:
- 3.5 months

Key Benefit:
- Each business unit is able to function independently, and respond to store and customers' needs quickly

Channel Partner:
- CIBER Novasoft

To satisfy fickle customer needs and fend off fierce competition, the EVER Retail Group needed an enterprise-wide IT platform as part of its effort to improve customer responsiveness and time-to-market. This Philippines-based group – comprising the EVER Supermarket, EVER Department Store, and HomeWorks – also required the system to effectively manage the increasing scale and complexity of its expanding operations.

To achieve its goals, SAP for Retail was deployed rapidly in three and half months across its headquarters and 10 stores in the country. Since it went live in July 2005, this business initiative has already reaped tangible benefits by improving process efficiency and reducing cycle times and stock outages.

> **"Our SAP rollout was not just an IT-driven endeavor. Rather, it was a business initiative to help us improve our key processes."**
>
> Mr. Jonathan Go, Vice President, Marketing and Purchasing, EVER Retail Group

EVER's buying and operation's processes have been decentralised after the deployment, which means each business unit assumes more responsibility for its own result. And empowered with accurate and live data, each unit can now respond to store and customers' needs quickly and effectively. Managing inventory has also become a painless affair as the system allows for automatic stock replenishment; allowing buyers to focus on business and data building.

MEKIM LIMITED GAINS BOTTOMLINE BENEFITS FROM ERP IMPLEMENTATION

Hong Kong-based Mekim Limited, which specialises in the marketing and distribution of healthcare products, knows that success in business involves more than just delivering products to customers.

AT A GLANCE

Solutions & Services:
- Financial Accounting, Control Accounting, Material Management, Sales & Distribution, Human Resources

Database:
- Microsoft SQL Server 7.0

Hardware:
- HP Net Server LH6000

Operating System:
- Windows NT 4.0

Revenue Turnover:
- €17 million

The key challenge for Mekim Limited was to develop an end-to-end solution capable of handling every stage of the supply chain process with minimum effort – from ordering and shipment, to delivery and payment. The solution would also need to provide integrated, real-time information, and be economically viable and user-friendly.

> **"We have seen definite qualitative and quantifiable results using SAP. Even more impressive is the amount of time we save in daily operations, like identifying overdue accounts, checking purchase order and inventory status, as well as reconciliation of accounting reports. The difference is night and day."**
>
> Mr. William Tsui, Managing Director, Mekim Limited

SAP's enterprise resource planning solution met all of Mekim's expectations, providing a forward-looking solution that meets the ever-changing requirements of a modern business.

Implementation was completed within six months, and Mekim was impressed with SAP's strong IT support, and the SAP consultants' professional training programmes for Mekim's 140 staff that serves more than 30,000 customers in Hong Kong. Top brands marketed by Mekim include SebaMed (Germany), Akileine (France), and Blistex (US). Clients include big retail drug and personal care stores, such as Watsons and Mannings, the Wellcome and Park' N Shop retail chains.

SAP HEALS WING KEUNG'S ENTERPRISE PAINS

Started in 1978, Wing Keung Western Medicine is a well-known Hong Kong institution in the distribution and wholesale of medical, health, and family and personal care products. SAP® Business One was implemented within 4 months.

AT A GLANCE

Solutions & Services:
- SAP® Business One

No. of Users:
- 13

No. of Site:
- 1

Length of Implementation:
- 4 months

With an established sales network of 1,000 distribution points selling more than 50 brands, the 40-staff strong company was no stranger to technology. Wing Keung Western Medicine had an enterprise management system where a "market-oriented" structure was built around each sales process – from product distribution to product sales.

However, many processes in the sales chain were not standardised or based on industry best practices. Stock management was a problem, making it difficult to track inventory. Without an accurate sales report and analysis and the lack of an interdepartmental resource-sharing platform, the company's management decision-making ability was adversely affected.

> **"We chose SAP Business One because it is the market standard for SMEs. This software is flexible, expandable, and well supported."**
>
> Mr. Thomas Cheng, Business Manager, Wing Keung Western Medicine

SAP Business One's user-friendly interface improved the management process and with processes standardised on industry's best practices, stock management was enhanced. It also reduced inventory level, increased stock turnover time, and eliminated inventory data inaccuracies.

Furthermore, the integration of different departments' systems enables supervisors to check on product and delivery status any time. And with critical business data easily available to management, they now have a better idea of current operating status before making decisions that will prepare it for tougher challenges ahead.

SERVING UP WORLD CLASS EFFICIENCY AT YEH LAM KWOK

Established in 1987, Hong Kong-based Yeh Lam Kwok Restaurant Group serves Western and local Chinese cuisine and desserts in more than 40 restaurants in Hong Kong island, Kowloon, and the New Territories.

AT A GLANCE

Key Challenge:
- Inefficiency and high cost of maintaining legacy systems

Solutions & Services:
- SAP® Business One

Key Benefit:
- Minimise work redundancies and simplify business operations

To support its business growth, increase profits, and reduce operating costs, Yeh Lam Kwok Restaurant Group had to rethink and reform business processes and its heterogeneous IT systems.

> **"SAP Business One simplifies working procedures, improves business efficiency, and reduces human error. It helps to keep our finger on the pulse of our business, make instantaneous decisions, and serves as a foundation for future development."**
>
> Mr. Kenny Chan, Director, Yeh Lam Kwok Restaurant Group

Its legacy systems were incapable of adapting to the overall development demands of the Group and could only focus on a single function each. Thus, it was prohibitively expensive to maintain. In addition, the systems were not integrated and required repetitive input of data.

This inefficient and ineffective way of working had to be replaced. SAP Business One came up tops as Yeh Lam Kwok's first choice. Its user-friendly interface removed the need to employ IT staff to manage the system. Furthermore, the software had all the features the company needed in one single, affordable package, thereby eliminating system integration cost.

With SAP Business One, the company is able to enhance business process management and simplify working procedures. And because it integrates a full spectrum of business tasks, the group can now organise and analyse data as an organic whole. This removes redundancies and enables managers to obtain and act on the latest, most accurate information.

SOUTH STAR DRUG RUNS SAP

ROI Case Study

China

ROI Case Study – Frost & Sullivan

AWECO APPLICATION SYSTEMS CHINA

Implementing SAP® Business One to support inventory control and material resource planning (MRP) has enabled AWECO China to function with an automated and systematic inventory control process, and draw a clear and transparent MRP analysis. AWECO China has reaped profits as a result of improved operational efficiency, as well as customs benefits due to a clear categorisation of raw material as per the Shanghai Waigaoqiao Free Trade Zone's regulations.

The Company

AWECO Application Systems China (AWECO China) is a subsidiary of AWECO GmbH & Co KG, Germany, a leading manufacturer of tools, assembly systems and individual components for the production of white goods. The company has operations in Europe, America and Asia. AWECO regards itself not just as a systems supplier, but also a valued partner that helps customers to overcome business challenges. The company aims to optimise the production of their customers' hi-tech products, processes and work flows with innovative solutions, hence improving their competitive edge.

AWECO China was established to tap the emerging potential in the country, and it has set up a manufacturing and sales operation to achieve its goals. It assembles components imported from Germany and those procured locally.

The Challenge

In order for AWECO China to supply components of high quality and maintain a long-term relationship with its customers, it is critical for the company to have an enhanced and streamlined manufacturing process as its foundation. However, the lack of a proper goods classification system prevented the manufacturer from enjoying the tax benefits as outlined in the Shanghai Waigaoqiao Free Trade Zone's import regulations. To correct this, improvements in the following areas had to be made:

- Manual Inventory Control Methods – AWECO China was using manual methods such as physical counting of its stock to monitor inventory level. Simple applications

AT A GLANCE

Key Challenges:
- Manual inventory control methods
- Ineffective Material Resource Planning (MRP)
- Unclear Classification of Material

Project Objectives:
- Automating and creating a systematic inventory management process
- Increasing efficiency of the MRP process
- Outlining a clear raw material classification system
- Reducing data redundancy

Solutions & Services:
- SAP® Business One

Why SAP Solution:
- SAP Business One is a cost-effective solution with strong manufacturing and inventory management functionalities
- Its user interface is highly structured and user friendly
- It will enable easy integration with business applications like customer relationship management (CRM), product lifecycle management (PLM) and supply chain management (SCM) in the future
- SAP's success and experience in addressing requirements of companies in the manufacturing sector
- SAP has been adopted by AWECO in Germany and other global operations

Implementation Highlights:
- Lean implementation time of 4 months

Key Benefits:
- ROI 29.3%
- Pay back in 2 years & 11 months
- 20% increase in overall operational efficiency
- Two-day decrease in the turnaround time of reports by the production department
- 20% improvement in inventory control in year zero of this SAP project
- Effective MRP process which allows users to forecast the production numbers and obtain data that will help top management with the decision-making process
- Clear classification of raw material
- Reduced data redundancy increased accessibility and availability of information, and financial savings

such as Microsoft Excel and Word were used for data manipulation and analysis. This tedious and manual approach prevented the company from managing and controlling its inventory in a systematic and efficient manner.

- Ineffective Material Resource Planning (MRP) – Under the previous system, a reverse calculation method was used to derive the amount of raw material consumed based on the final quantity of finished products produced. This proved ineffective in tracking raw material and also required manual intervention. This led to erroneous calculations, which often needed a re-computation if actual inventory level did not tally.
- Unclear Classification of Material – AWECO China needed to classify its raw material as "free trade protected" and "non-protected" to claim customs benefits in the Shanghai Waigaoqiao Free Trade Zone. It was unable to uniquely classify these materials and hence, it had to forego the customs benefit partially.

These challenges prompted AWECO China to search for a business management solution. And after many internal discussions and product comparisons, the manufacturer implemented SAP Business One, a cost effective solution with manufacturing, inventory, purchase, sales, and financial management functionalities. The implementation has succeeded in addressing AWECO China's challenges by:

- Automating and creating a systematic inventory management process.
- Increasing efficiency of the MRP process.
- Outlining a clear raw material classification system.
- Reducing data redundancy (where the same information is redundantly and inefficiently stored in multiple locations) and increasing accuracy of data used across departments.

Implementation Strategy

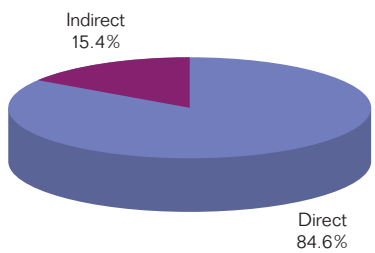
AWECO needed a system which would streamline and serve the needs of all its business-critical processes. The company considered an extensive array of solutions from multiple vendors including local players.

AWECO China finally selected and implemented SAP Business One for the following reasons:

- SAP Business One is a cost-effective solution that has strong manufacturing and inventory management functionalities.
- Its user interface is highly structured and more user friendly compared to solutions from other vendors.
- It will enable easy integration with business applications like customer relationship management (CRM), product lifecycle management (PLM) and supply chain management (SCM) in the future.
- SAP's success and experience in addressing requirements of companies in the manufacturing sector.
- SAP has been adopted by AWECO in Germany and other global operations.

AWECO China began implementing SAP Business One in July 2005 and the project team comprised two dedicated consultants from SAP's partner company, TechSonic, and 10 AWECO China employees. To ease the migration and obtain users' buy-in, training for SAP Business One was provided to authorised AWECO China personnel. The transition to SAP Business One was completed in October 2005.

Key Benefits



Three-Year Total: USD31,400

AWECO China has witnessed a 20 percent increase in overall operational efficiency as a result of implementing SAP Business One. The automated and systematic handling of inventory has improved inventory control, and stock level and relevant information are now easily available in real-time as well. The SAP system has also increased the efficiency of the MRP process and reduced data redundancy.

The direct and indirect benefits of the SAP Business One are multifold. For instance, some indirect benefits include a two-day decrease in the turnaround time of reports by the production department, reduction in service time for customer queries and paperwork.

Direct benefits constitute about 85 percent of the total benefits gained and are detailed below:

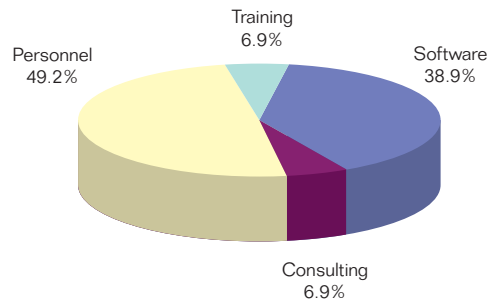
- Systematic Inventory Control – AWECO China has better control of its inventory because of the systematic workflow created using the inventory functionality of SAP Business One. The automated system has also resulted in effective data manipulation and data analysis based on the company's requirements. In fact, the company has witnessed a 20 percent improvement in inventory control in year zero of this SAP project.

- Effective MRP Process – Having a centralised repository that consolidates data from all the different sources and the ability to extract data based on business requirements have improved the MRP process. The effectiveness and efficiency of the MRP process has also increased due to the MRP Wizard under the manufacturing functionality of SAP Business One. This addressed the inadequacy of the reverse calculation approach. With the SAP system in place, users are able to forecast the production numbers and obtain data that will help top management with the decision-making process.

- Clear Classification of Raw Material – With systematic and standardised processes in place, SAP Business One has enabled AWECO China to clearly categorise its inventory as "raw material", "work-in–progress" and "finished" goods as per industry requirements. This will help AWECO China to realise the custom benefits offered by the Chinese government for classified goods as part of the Shanghai Waigaoqiao Free Trade Zone's "free trade protected" and "non-protected" rules.

- Reduced Data Redundancy – The SAP Business One solution has optimised data management as data submitted by each department is placed in a single, common repository. This allows staff from different departments to input, share and access data to produce reports based on business demands. This has reduced the need to enter the same data multiple times, increased accessibility and availability of information, and financial savings.

Key Costs



Three-Year Total: USD33,500

The main project costs were in the areas of software, consulting, personnel, and training. Time spent by AWECO China's employees to implement and support the system accounted for 49 percent of total cost. Software and annual maintenance costs accounted for 39 percent while consulting cost accounted for 7 percent of total project cost – this also comprised the time spent by the two TechSonic consultants. The training cost, which included both the trainers' and employees' time, made up 6 percent of the company's total investment in SAP Business One.

Calculating The ROI

Frost & Sullivan quantified and projected the implementation cost of the SAP system over a three-year period. Direct benefits that are gained include an increase in profits due to revenue growth, and savings on employees' time and effort spent on tasks. Frost & Sullivan estimated that 20 percent of AWECO China's revenues and a saving of 20 percent are due to the SAP Business One implementation.

Intangible benefits include the positive impact on AWECO China's corporate image and increase in customer satisfaction. The payback for this deployment is projected to be two years and 11 months.

ROI Summary

Project Name:
SAP Business One Implementation for AWECO China

Annual ROI:
29.3%

Payback Period:
2 Years and 11 Months

Average Annual Cost of Ownership:
USD11,152

Assumptions:
1. The annual salary per employee is USD7,500.
2. The internal rate of return is 20%.
3. The discounting factor is 13.5%, based on the prevailing prime lending rate.
4. The custom rate is about 10% as per the current taxes and duties structure in China.

Note:
Year 0 – Refers to the year of implementation (i.e. 2005).

Annual Benefits	Year 0	Year 1	Year 2	Year 3
Direct Benefits	5,150	6,100	7,100	8,200
Indirect Benefits	2,100	1,650	400	700
Total Benefits per Annum	**7,250**	**7,750**	**7,500**	**8,900**

Annual Costs	Year 0	Year 1	Year 2	Year 3
Software	10,000	1,000	1,000	1,000
Consulting	2,000	-	-	-
Personnel	10,500	2,000	2,000	2,000
Training	2,000	-	-	-
Others	-	-	-	-
Total Costs per Annum	**24,500**	**3,000**	**3,000**	**3,000**

Financial Analysis	Year 1	Year 2	Year 3
Net Revenue before Taxes	4,750	4,500	5,900
Annual ROI - Benefits		**29.3%**	
Payback (Years)		**2 Years & 11 Months**	
Three-year IRR		**31.8%**	

Australia / New Zealand

ROI Case Study – Frost & Sullivan

GENERAL PANTS CO.

General Pants Co. implemented mySAP™ All-in-One solution with SAP's channel partner Supply Chain Consulting to improve both financial and accounting transparency, and operational efficiency. The solution benefited General Pants by increasing the efficiency of its operations with faster reporting, improved financial processing and analytics, reduced error rates, and more accurate data.

The Company

General Pants Co. (General Pants) is a leading apparel retailer in Australia, influencing the latest in cutting edge street and surf wear for the fashion industry. The company offers a wide variety of fashion apparel primarily targeted at the 16-28 year age group. It offers a range of apparel brands that cover a broader customer base. The company has a wide presence in Australia with 69 stores and is looking at further expansion. The company's operation is supported by a workforce of around 1,500 employees, which includes both part time and permanent staff. General Pants with a turnover of over AUD250.0 million invested AUD281,800 with Supply Chain Consulting to implement the mySAP All-in-One enterprise solution, to address its core business challenges.

The Challenge

General Pants sought to improve its overall financial and operational efficiency not only to serve its customers better but to expand its business in the future as well. As such, a transparent accounting and financial system along with efficient analytics was identified as the fundamental step to make key decisions necessary for future expansion. Some of the challenges faced by the company include:

- Lack of Effective Financial Process and Analytics – The existing financial and accounting system had multiple shortcomings including difficulty in uploading data from spreadsheets, data redundancy, incorrect financial data, reversals of journal entries, difficulty in forecasting and analysis, manual reporting, and, errors in general accounting transactions. The existing system was inadequate, and therefore did not facilitate proper financial analysis and decision making.

AT A GLANCE

Website:
- www.generalpants.com.au

Industry:
- Retail-apparel

Employees:
- 1,500

Key Challenges:
- Lack of effective financial process and analytics
- Lack of operational efficiency
- Lack of continuity in applications
- Lack of standardised processes

Project Objectives:
- Improve the efficiency of the financial process and assist with better analytics for key decision making
- Improve operational efficiency through quick turnaround time of reports and visibility of data
- Reduce redundancy of data and increase the data accuracy across departments
- Ease integration with new businesses support future growth and expansion
- Comply with corporate governance

Solutions & Services:
- Qualified mySAP™ All-in-One partner solution

Why SAP Solution:
- mySAP All-in-One's ability to support and provide technical solutions for the fashion and retail industry of key business pain areas and retail industry

Implementation Highlights:
- Lean implementation time of 4 months

Key Benefits:
- 15.8% ROI over 3 years
- 41-month payback period
- 30% internal rate of return over 3 years
- 15% increase in incremental revenues
- 25% reduction in employee effort and time costs
- 9-day improvement in reporting turnaround time
- Increased the effectiveness of financial and accounting processes
- Improved inventory visibility and control
- Improved corporate image and customer satisfaction
- Support for future growth plans
- Compliance with corporate goverance

Channel Partner:
- Supply Chain Consulting

- Lack of Operational Efficiency – Under the previous system, the time taken to compile reports was about 12 days. This was a result of cumbersome manual reporting processes as well as the inability to access required information in the accounts and inventory departments across store locations. The delayed reporting to top management was affecting the efficiency of their operations.

- Lack of Continuity in Applications – General Pants had various individual and discrete applications supporting key functions and processes. These disintegrated applications resulted in redundant data entry, greater effort required, and delays in turnaround time. The compilation of data from various systems into spreadsheets resulted in erroneous reporting impacting new business planning and integration. This hindered the company's future growth and expansion plans.

- Lack of Standardised Processes – The individual processes and systems at General Pants did not meet industry standards. This resulted in disparate information flow from various systems, which were not in any standardised form. This impacted the ability of the company to initiate compliance with corporate governance.

The above challenges needed to be met. Based on various internal discussions and comparisons among various products, General Pants implemented a cost effective, technically strong, and industry-specific solution from SAP with Supply Chain Consulting. The implementation is expected to address the challenges in the following manner:

- Improve the efficiency of the financial process and assist with better analytics for key decision making
- Improve operational efficiency through quick turnaround time of reports and visibility of data
- Reduce redundancy of data and increase the data accuracy across departments
- Ease integration with new businesses and further SAP functionality to support future growth and expansion
- Comply with corporate governance to support their businesses

The Decision

General Pants decided to invest in an industry-specific ERP solution to address its pain areas. The company considered an extensive array of solutions from various vendors.

General Pants implemented mySAP All-in-One solution with Supply Chain Consulting for the following key reasons:

- The solution was a highly competitive investment compared to other vendors
- mySAP All-in-One's ability to support and provide technical solutions for the fashion and retail industry of key business pain areas and retail industry
- The solution's ability to easily integrate with existing applications
- Support for adopting SAP's Supply Chain and Open-to-Buy functionality in the future
- mySAP All-in-One's addressment of key business pain areas and challenges of General Pants

In March 2005, General Pants began implementing the mySAP All-in-One solution with Supply Chain Consulting. The implementation team comprised of four dedicated consultants from SAP's partner company, Supply Chain Consulting and two employees from General Pants. The system went live in June 2005, with the desired training provided to required personnel from General Pants.

Key Benefit Areas

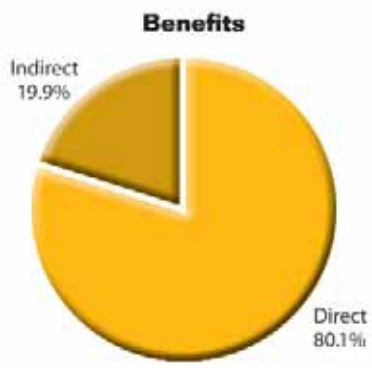
General Pants achieved a 30.0 percent increase in overall operational efficiency as a result of implementing the mySAP All-in-One solution with Supply Chain Consulting. This solution increased the effectiveness of their financial and accounting processes, thereby facilitating better and more in-depth analytics. SAP's industry-specific and scalable solution is enabling the future expansion of General Pant's businesses.

With the implementation of the mySAP All-in-One solution, General Pants enjoys the following key returns:

- Effective Financial Process and Analytics – General Pant's financial processes have become more effective, because of the systematic entry of all financial data and reduction in data redundancy. This integrated system performs better and more in-depth analytics to facilitate key decision making.

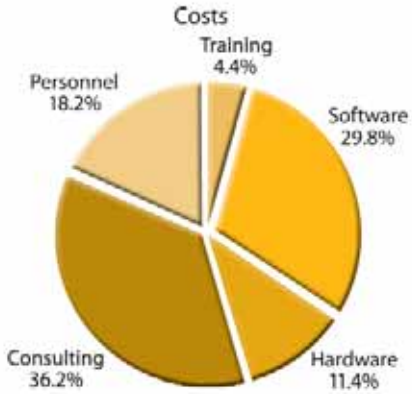
  Furthermore, the accounting procedures have been more streamlined due to the resolution of related accounting issues, such as reconciliation of errors and reversal of journal entries.

- Improved Operational Efficiency – The turnaround time of reports has been reduced 9 days (from 12 to 3 days), evidence of an increase in the operational efficiency. The use of an integrated system results in the availability of accurate data at a faster rate. The integration of existing applications using SAP All-in-One solution has ensured the availability of required information more rapidly.



Total Benefits (2005-2008):
AUD$186,800

- Support for Future Growth Plans – The integration of various systems across locations helps General Pants to reduce data reentry and man hours needed for manual reporting, provides easy identification of errors, higher visibility and control of inventory, and provides a strong foundation for further addition of modules such as merchandising and logistics. This lays the foundation for General Pants to further grow and expand.



Total Costs (2005-2008):
AUD$313,900

- Compliance with Corporate Governance – The mySAP All-in-One solution is expected to help General Pants to meet industry standard rules and procedures. This standardisation is likely to establish a more conducive working environment and drive General Pants towards better corporate governance.

Key Costs

Key costs incurred were from the purchase of consulting services, software, personnel, hardware, and training. Consulting made up the largest portion and accounted for 36.2 percent of the total project cost. This includes the time spent by four consultants from Supply Chain Consulting for the implementation of the solution.The software cost including annual maintenance accounted for 29.8 percent of the total costs.

Personnel accounted for 18.2 percent of the total cost, and included the time spent by two internal General Pants' employees to support the implementation. The initial cost incurred on the hardware purchases for the mySAP All-in-One solution implementation accounted for 11.4 percent of the total costs. The cost of training totaled about 4.4 percent of the company's total investment in the mySAP All-in-One solution.The cost of training included both trainer cost and cost of employee time spent on training.

Calculating the ROI

Frost & Sullivan quantified and projected the cost of the implementation including software, personnel, and maintenance costs, over a three year period, beginning 2005 for the mySAP All-in-One solution. The ROI analysis has been adjusted to reflect the cost of capitalisation for technology projects and have applied straight-line method for depreciation over four years. Direct benefits calculated include increased profits on additional revenue and savings on employee effort and time. Frost & Sullivan has estimated that 15.0 percent of the incremental revenues and a savings of 25.0 percent ensued through the implementation of the mySAP All-in-One solution. Intangible benefits of the implementation of the mySAP All-in-One solution include a positive impact on corporate image and customer satisfaction. The payback period for this deployment is three years and five months.

ROI Summary

Project Name:
mySAP All-in-One Implementation

Annual ROI:
15.8%

Payback Period:
3 Years and 5 Months

Average Annual Cost of Ownership:
AUD111,145

All figures are in Australian Dollars.

Assumption:
The average annual salary per employee is AUD50,000.

Note:
Year 0 - Refers to 2005 the year of implementation of mySAP All-in-One solution.

Annual Benefits	Year 0	Year 1	Year 2	Year 3
Direct Benefits	14,800	42,000	44,700	48,100
Indirect Benefits	7,400	8,500	9,800	11,500
Total Benefits per Annum	**22,200**	**50,500**	**54,500**	**59,600**

Depreciated Assets	Year 0	Year 1	Year 2	Year 3
Hardware	19,000	-	-	-
Total Hardware per Annum	**19,000**	**-**	**-**	**-**

Depreciation Schedule	Year 0	Year 1	Year 2	Year 3
Hardware	-	4,750	4,750	4,750
Total Depreciation per Annum	**-**	**4,750**	**4,750**	**4,750**

Annual Costs	Year 0	Year 1	Year 2	Year 3
Software	67,100	10,700	10,700	10,700
Hardware	19,000	-	-	-
Consulting	120,500	-	-	-
Personnel	60,600	-	-	-
Training	14,600	-	-	-
Total Costs per Annum	**281,800**	**10,700**	**10,700**	**10,700**

Financial Analysis	Year 1	Year 2	Year 3
Net Revenue before Taxes	39,767	43,767	48,867
Annual ROI - Benefits		**15.8%**	
Payback (Years)		**3 Years & 5 Months**	
Three-year IRR		**29.6%**	

China

ROI Case Study

IMPROVE OPERATIONS AT YANGZHOU YAPP AUTO PLASTIC PARTS COMPANY

With the implementation of the mySAP™ ERP solution and the SAP® for Automotive set of solutions, Yangzhou YAPP Auto Plastic Parts Company is closer to becoming a world-class supplier of automotive fuel systems. The solution has given management critical support for competition and growth by automating and standardising many processes, enhancing decision making, and laying the foundation for Web-based business strategies across YAPP's supply chain. The implementation has fostered data accuracy of nearly 100% and should result in annual cost savings of more than CNY 1.26 million (€118,000) and a total payback period of 2.8 years.

Company Background

Founded in 1988, Yangzhou YAPP Auto Plastic Parts Co. Ltd. (YAPP) is China's largest supplier of automotive fuel systems. With total assets of more than CNY 570 million (€53.3 million) and 2003 sales of CNY 625 million (€58.5 million), the company has plants in 9 cities that employ about 700 workers.

Challenges and Opportunities

Now that China has joined the World Trade Organisation, its volatile auto industry faces intense competition and price pressure from foreign suppliers. In this climate, YAPP must have the operational control and efficiency to respond effectively to fast-paced market change.

Strategic Goals and IT Approach

YAPP recognised the need for a core IT infrastructure that could support an organisational restructuring and help the company institute industry best practices in manufacturing and business workflow. In addition to standardised business processes, increased operational efficiency, enhanced information sharing, and improved decision making, YAPP hoped the infrastructure would provide a useful link to its customers and business partners. YAPP chose the mySAP™ ERP solution for its integrated functions in logistics, materials management, manufacturing, financial accounting, and controlling. The company chose the SAP® for Automotive set of solutions because it is the industry standard among Chinese auto manufacturers.

AT A GLANCE

Website:
- www.yapp.com

Employees:
- 700

Project Objectives:
- Enhance its business processes
- Integrate business processes for production, operation, design, manufacturing and management control
- Provide information that is timely, accurate, and useful to the company's operational managers and decision makers
- Support future plans for Web-enabled collaboration that can overcome a lack of integrated information with external partners, third parties and customers

Solutions & Services:
- SAP for Automotive solutions
- mySAP™ ERP application

Why SAP Solution:
- The solution could satisfy its current functional requirements as well as its future IT needs

Implementation Highlights:
- Solutions were implemented within 9 months

Key Benefits:
- Annual cost savings of CNY 1.26 million (€118,000)
- ROI of 38% over a 7-year period
- Payback period of 2.8 years
- Reduced month-end closing time from 3 days to 1 day
- Reduced raw-material inventory days for significant parts from 60 days to 30 days
- Increased effectiveness in facilitating process standardisation, improving efficiency, and making information readily available and reliable
- Improved response to change
- Improved cost management
- Has a single IT platform for purchasing and inventory management

Channel Partner:
- PMC Informatik AG
- PreVision Technology

Results

A post-implementation business assessment found that mySAP ERP and SAP for Automotive provided the common IT infrastructure YAPP wanted and has made the company more responsive to its market. The solution has been particularly effective in facilitating process standardisation, improving operational efficiency, and making information readily available and reliable. With annual cost savings of CNY 1.26 million (€118,000), YAPP should achieve ROI within 2.8 years.

Executive Summary

Yangzhou YAPP Auto Plastic Parts Co., Ltd. (YAPP), the largest government-owned supplier of automotive fuel systems in China, specialises in the production of plastic fuel tanks. To maintain dominance among domestic fuel-tank suppliers, and address increased competition from abroad, YAPP had to deploy international industry best practices in manufacturing and business workflow. With these best practices in place, YAPP hoped to gain the following benefits:

- Take control of its business by eliminating processes that did not add value, applying lean manufacturing and Six Sigma principles, and collaborating more closely with partners to ensure deliveries that are high quality, cost-effective, and on time
- Manage risk and ensure compliance by establishing greater transaction visibility; aggregating product, production, and enterprise-level financial data; and integrating the company's accounting, quality, and environment, health, and safety systems
- Help customers lower costs, improve quality, and achieve a shorter time to market by becoming an integral member of the extended automotive ecosystem and using Web-enabled collaboration tools to work with both customers and business partners across the supply chain network

In choosing an IT infrastructure to help achieve these strategic goals, YAPP selected the mySAP™ ERP solution and the SAP for Automotive set of solutions to centralise materials management, financial accounting, and controlling. Since implementing the software between May 2003 and early 2004, YAPP has accomplished most of that mission – with greater process standardisation, automation, operational efficiency, and cost-effectiveness in such key areas as purchase-to-invoicing verification, month-end closing, stock transfer, and physical stock verification. Data is more reliable, with an accuracy rate near 100%, and more accessible to managers for decision making. With quantifiable annual savings of CNY 1.26 million (€118,000), a net present value of CNY 3.44 million (€321,800), and a 38% internal rate of return, YAPP should see a return on its investment in 2.8 years. Strong support from company executives, effective change management, and professional help from outside consultants contributed to the project's success.

A subsequent assessment of the implementation identified a variety of "quick wins" that YAPP could achieve in three months or less by leveraging functions within mySAP ERP and SAP for Automotive. These include improved materials management through customised key performance indicator (KPI) reports; greater responsiveness in safety stock for material; real-time tracking of purchase orders; stronger vendor management through vendor evaluation procedures; enhanced responsiveness in production planning; improved cost allocation among new cost centers; and streamlined bank reconciliation. The study also identified longer-term opportunities that include linking YAPP electronically to its OEMs and using SAP® materials management software to respond more effectively to variances between actual and standard product costs.

Company Background

Yangzhou YAPP Auto Plastic Parts Co., Ltd. (YAPP) is the largest government-owned supplier of automotive fuel systems in China, specialising in the development, manufacturing, and marketing of plastic fuel tanks. The company was founded in 1988 as a joint venture between Shanghai Automobile Industry Co., Ltd., China's largest car manufacturer, and the State Development and Investment Corporation (SDIC). In addition to headquarters and a plant in Yangzhou, YAPP has plants in Shanghai, Tangshan, Chongqing, Changchun, Yancheng, Wuhu, Hefei, and Shenyang. Together these sites employ about 700 workers.

The company has one subsidiary, Wuhan YAPP Auto Plastic Parts Co., Ltd., which holds 50% of its shares.

With total assets of CNY 540 million (€50.5 million) in 2003, YAPP enjoyed sales of CNY 510 million (€47.7 million). The company claims a domestic market share of about 50% for automotive gas tanks, which represents most of this sales volume. Top customers include Shanghai GM, Shanghai Volkswagen, FAW Volkswagen, and Ford. The company has enjoyed rapid growth in the past four years, expanding its product capacity, technology, equipment, and research. In 2004, YAPP was listed among the top 50 firms in China's auto industry and is becoming a significant player in other Asian and non-Asian markets.

Challenges And Opportunities

China is the third-largest market for cars in the world. With an average annual growth rate of 15% for the past 10 years, the Chinese auto industry is expanding 10 times faster than auto industries in more mature markets. Competition among domestic and foreign auto-parts manufacturers has increased in recent years – as has pressure on prices – with China's 2002 entrance into the World Trade Organization, the reform of state-owned companies, industry deregulation, and a reduction in import tariffs. YAPP hopes to expand its market share in this fast-paced, volatile marketplace – exploring potential growth opportunities through mergers and acquisitions, strategic partnerships in Taiwan and Southeast Asia, and an eventual presence in European markets.

Strategic Goals

To become a world-class supplier of automotive fuel systems, YAPP knows it must respond quickly to market change and develop business processes that would help the company accomplish the following goals:

- Become more cost-effective
- Avoid excess or shortfalls in capacity
- Cope with fluctuations in market demand
- Manage prices of imported raw materials

To meet these goals, YAPP must give greater priority to production planning. With increased price competition in its industry, lowering costs has also become more important. YAPP must also address the recently accelerating pace of corporate growth that includes the launch of four new plants in 2004. In addition, the company must cope with sales to OEMs that fluctuate significantly from one month to the next and manage prices for imported raw materials that can vary widely with changing exchange rates.

Approach

For YAPP to meet these challenges and seize opportunity in an expanding market, the company first had to gain greater control over its operations and update logistics processes that were mostly manual. Inefficiencies and data errors from manual processing were particularly evident in the following key process areas:

- Purchase-to-invoicing verification
- Month-end closing
- Stock transfer
- Physical stock verification

Optimising YAPP's operational processes meant replacing a poorly integrated IT system provided by local vendors with a consolidated, internal information infrastructure that could fully support an organisational restructuring and help the company institute international industry best practices in manufacturing and business workflow. For example, YAPP wanted to decouple the goods receipt process from the accounts payable process so that it could receive goods into the warehouse and use them for manufacturing immediately. Otherwise, an inventory accounts clerk had to tally physical goods against the original order, which could delay use of the goods for up to two days. YAPP also wanted to implement purchase-approval standards, standardise more processes, and define clear lines of responsibilities among various departments across the entire company. YAPP hoped a strong, integrated infrastructure could standardise business processes, increase operational efficiency, enhance information sharing, streamline decision making, and provide the foundation

for a Web-based program that would encourage cross-enterprise integration between the company and its major customers and business partners.

YAPP planned to acquire a new IT infrastructure that could accomplish the following objectives:

- Enhance its business processes
- Integrate business processes for production, operation, design, manufacturing, and management control
- Provide information that is timely, accurate, and useful to the company's operational managers and decision makers
- Support future plans for Web-enabled collaboration that can overcome a lack of integrated information with external partners, third parties, and customers

Why YAPP Chose mySAP ERP and SAP for Automotive

After evaluating both domestic and international alternatives, YAPP chose mySAP ERP and SAP for Automotive as its Web-based solutions because the software could satisfy the company's current functional requirements as well its future IT needs. Most important for the initial implementation was support for centralised control of YAPP's materials management processes, particularly purchasing and inventory management, as well as centralised handling of financial accounting and controlling activities. "It was also important to us that the system provide a common information reference point and management platform for decision making," says YAPP Vice President and CFO Jiang Lin.

Of equal importance was the fact that more than 80% of FORTUNE Global 500 enterprises use SAP products – including more than 300 top Chinese enterprises. In addition, YAPP had identified SAP software as the most commonly used among its upstream and downstream business partners. YAPP chose PMC Informatik AG and PreVision Technology as its implementation partners because of the consultants' successful implementation experience.

Implementation

Launched in May 2003, the implementation of mySAP ERP and SAP for Automotive went live at the Yangzhou main factory in September 2003 and was eventually rolled out to all plants by early 2004. The implementation included software for materials management, production planning, sales and distribution, quality management, financial accounting, and controlling. Total cost for the project was about CNY 3 million (€280,650).

PMC Informatik AG served as the implementation project manager. PreVision Technology handled the design, actual implementation, data conversion, key-user training, and initial rollout. Key users then conducted training for other users. The YAPP IT department was responsible for subsequent rollouts to the other plants. A project steering committee within YAPP gathered feedback from end users and made required changes during the implementation.

YAPP enjoyed complete management support for the project and dedicated five full-time IT employees to the implementation. Jiang Lin headed the steering committee and personally resolved issues that were escalated to him. Through additional training and meetings with top management, YAPP made great efforts to ensure that employee needs were met so users would fully support the new system.

Results

A post-implementation business assessment was conducted in December 2004. The assessment compared the following YAPP objectives for the implementation against their respective key performance indicators:

- Support management for competition and growth – by improving responsiveness to change, enhancing operational efficiency, and increasing cost effectiveness
- Enable information sharing and decision making – by making information more available and more reliable
- Standardise company management – by standardising business processes

- Support Web-based business strategies across the supply chain – by providing a common IT infrastructure and supporting standardised links for collaboration with major customers and business partners

Qualitative Findings

The study found that mySAP ERP and SAP for Automotive were most effective in facilitating process standardisation and providing a common IT infrastructure for corporate expansion. YAPP managers also found the solution effective in helping the company respond to change, improving operational efficiency, and making information more available and reliable. Key results from the study include the following:

Improving Response to Change

YAPP now enjoys current and accurate data for orders, inventory in transit, and production costs and can easily generate real-time reports. The shortening of month- and year-end closings in financial accounting further enhances company responsiveness, along with real-time tracking of production costs across all factories.

Enhancing Operational Efficiency

Increased integration, process standardisation, and the replacement of many manual activities have saved significant time and employee days. Integration is stronger among information, logistics, and capital flow. There is better coordination and smoother internal group workflow for supplies, production, and marketing. Department responsibilities are clearer, and interdepartmental communication has improved.

These enhancements have shortened both the production and supply cycles for major materials and strengthened production-site management. Customer workflows have been shortened, which has reduced customer complaints and improved customer relations.

Making Cost Management More Effective

The system has enhanced mechanisms for cost management throughout the enterprise, laying a solid foundation for a comprehensive cost management system. Among the changes is a switch from distributed to centralised purchasing. Operational efficiencies have also netted savings in labor costs for inventory management and financial accounting that contribute to the overall savings.

Making Information More Accessible

The system has significantly streamlined retrieval of purchasing, inventory, and cost information. Purchase orders can be searched in real time, and the gathering and reporting of stock data has been reduced from one month to five minutes. Monthly performance data is available within one day of the month-end closing. All financial data is available to all factories at all times. Product and cost-center information is available in real time. Closely connected financial data and simultaneous book entry has improved conformity between financial accounts and the marketing department and lets YAPP generate marketing, stock, and financial analysis reports simultaneously.

Making Information More Reliable

The system has improved information accuracy to about 100%. There has been a 9.5% reduction in variance from a physical verification of inventory, which has resulted in more efficient purchasing decisions. Because one business area in the system represents one factory, for example, YAPP can easily generate a consolidated view of finances across the entire factory that facilitates better control of cash flows and funding. The system uses the same general-ledger accounting structure for all factories and can automatically generate cost information during account postings and production orders.

Standardising Business Processes

The system has helped standardise management processes among all YAPP facilities and coordinate top-down and bottom-up mechanisms. Vendor accounts are all managed centrally through the system, which can generate purchase orders automatically and track all inventory movements. Cross-factory financial reports are also available through he system.

Providing a Common IT Platform

YAPP now has a single system for purchasing and inventory management. The system can also handle all logistics and financial operations across the company's nine factories and consolidate financial reports automatically.

Supporting Standardised Industry Links

With mySAP ERP and SAP for Automotive in place, YAPP enjoys compatibility with three of its four largest customers. The solution includes Chinese language support, as well as support for local legal requirements. As the standard for China's automotive industry, the software also lays the foundation for an Internet-based link between YAPP and its customers that can help the company improve its sales forecasts and production planning. This SAP foundation should further prove its worth if YAPP should merge with or acquire international auto companies.

Improvements in Key Business Processes

Elimination of manual processing in the four key process areas has resulted in greater efficiency, savings in time and employee hours, and improvements in information accuracy and availability.

Purchase-to-Invoicing Verification

Before the implementation: The added step of reconciling an invoice with its related goods-receipt document added a day to processing. Manual posting of invoices took about three minutes.

After the implementation: Purchasing process steps and waiting time have been reduced. The system automatically compares invoices with goods and can handle invoice posting in one minute. In addition, there are fewer errors in data entry and clearer lines of purchasing responsibility among departments.

Month-End Closing

Before the implementation: Manual processes required three employees for product costing and took three days – one day to create reports for manufacturing material consumption and allocation, one day to create material closings for accounting postings, and one day to create reports for product cost calculations and month-end production cost transfers and summarise month-end sales costs.

After the implementation: The mostly automated month-end closing process for product costing takes about two hours and involves only one employee. The system has also helped reduce data errors.

Stock Transfer

Before the implementation: Nine steps, largely manual, were required for processing.

After the implementation: Processing is fully automated and involves six steps. Inventory updates are more accurate and handled in real time. Inventory in transit is more visible, and department responsibilities for stock transfer are clearer.

Physical Stock Taking

Before the implementation: The largely manual process required seven employees three days each and resulted in an inventory variance of 10%.

After the implementation: Automated processing takes three employees a half day each and has cut inventory variance to 0.5%.

Return on Investment

Increased operational efficiencies that could be quantified for centralised accounting, purchasing, and inventory management processes should save YAPP about CNY 795,000 (€74,363) per year. Savings of another CNY 318,000 (€29,745) and CNY 149,000 (€13,900), respectively, should be realised from inventory management through reductions in working capital and inventory variance – leaving YAPP with total quantifiable savings of CNY 1.26 million (€118,000).

Implementation costs should account for 33% of YAPP's total cost of ownership for the project. Hardware and support costs should represent 24% and 23%, respectively, and software and rollout costs should absorb 19% and 1%.

With a net present value of CNY 3.44 million (€321,800), a 38% internal rate of return, and a total payback period of 2.8 years, YAPP should see its return on investment in 2006.

In the future, YAPP may realise additional benefits from increased sales, shortened days of supply for raw materials, increased on-time delivery-to-commitment rates, shortened order fulfillment lead time, reduced cash-to-cash cycle time, and a decrease in customer days sales outstanding.

Next Steps

The business assessment also identified a variety of "quick wins" that YAPP could achieve in materials and financial management with minimal effort using mySAP ERP and SAP for Automotive, as well as several longer-term opportunities.

Quick wins include the following:

- Improved materials management through customized KPI reports
- Greater responsiveness in safety stock for material
- Stronger vendor management through vendor-evaluation procedures
- Enhanced responsiveness in production planning
- Improved cost allocation among new cost centers
- Streamlined bank reconciliation

The assessment identified longer-term opportunities in linking YAPP electronically to OEMs and using SAP for Automotive solutions to improve production planning. Linking YAPP electronically to OEMs would make the company more responsive to the significant demand fluctuations in its market. As a result, the company could generate a more accurate production and purchase plan, achieve a strategic alliance with OEM customers, and optimise its inventory levels. By involving external service agents in the delivery of goods, an electronic link could also reduce costs for materials and transportation.

In addition, SAP for Automotive could help YAPP cope with the wide variances between actual and standard product costs that result from fluctuating sales volumes and purchase prices. By helping YAPP track the actual costs for materials, the software would let the company identify cost variances more quickly, revise standard prices more frequently, and revalue its inventory according to actual prices. After prioritising and implementing quick-win recommendations, YAPP plans to evaluate the business and large-scale IT changes it will need to be in line with market changes.

Lessons Learned

YAPP was able to meet its corporate objectives and achieve ROI from its SAP investments in less than three years due largely to the following key success factors:

- Strong executive management support for investing in mySAP ERP and SAP for Automotive and for the project as a whole from YAPP CEO Sun Yan and YAPP Chairman Yuying Cai. YAPP managers felt that the strong functions and integration capabilities of the software could serve the company's long-term aspirations better than competing products.
- Aggressive training and change management that fostered employee acceptance of a new system and new processes. This was a significant achievement for a state-owned company that has many line employees with low levels of literacy. YAPP managers took exceptional pains to get feedback on the project from employees and ensure that they accepted the system.
- Professional project management. With help from its implementation partners, YAPP completed the project within the original budget and timeline.
- Strong control of IT costs. By assembling its server in-house and basing hardware and software licenses on current usage (which link cost increases to greater demand), YAPP was able to afford hardware of higher quality.

Appendix: Post-Implementation Business Assessment

The post-implementation business assessment sought to measure various benefits YAPP received from mySAP ERP

and SAP for Automotive by comparing the objectives YAPP had set for the implementation against their KPIs. The study quantified cost savings for four key business processes and compared those savings with expenses for the implementation to calculate YAPP's ROI.

ROI Calculation

Assumptions and Rationales

Calculation of ROI assumed a discount rate of 6%, a time horizon of seven years, and 100% allocation of YAPP's investment in licenses for SAP solutions. Savings in employee costs assumed an annual average employee salary of CNY 30,000 (€2,800) for 22 working days per month, eight hours per day.

Using the rationale that it takes time to realise benefits from new processes and a new system, the calculation assumes that cost savings were not realised for the first four months after the implementation. The ROI calculation does not include savings achieved by avoiding costs for additional IT licenses, because these costs were negligible.

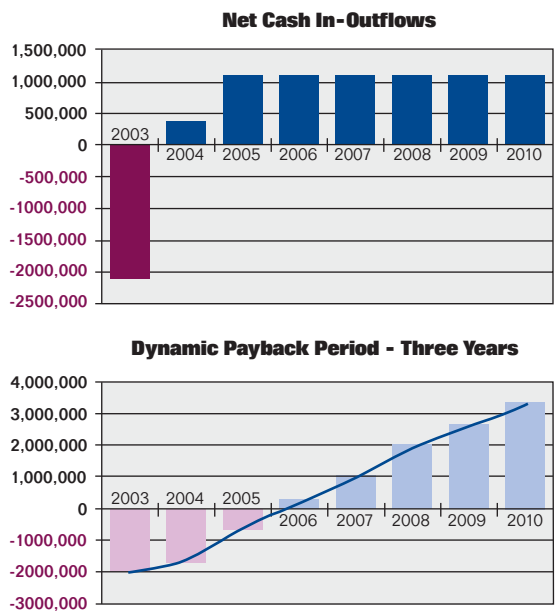
Quantifiable Improvements

The assessment measured cost savings in three areas: increased operational efficiency, reduction in working capital, and reduction in inventory variance. Operational efficiency in the accounting area included reductions in effort for running the head office (mainly due to an improved interface with inventory management), reduction in time for month-end closings and invoice verification, and reductions in time for paying vendors. Efficiencies in the purchasing area included reduced efforts for generating purchase orders and the automation of weekly materials requirement planning. Inventory management realised efficiencies through automatic handling of scrap metal, reduced time for physical stock taking and monthly report generation, and reduced time for goods receipt and for lot and first-in-first-out (FIFO) management.

Reductions in working capital were realised through improved inventory turnover. Reductions in inventory variance were achieved through improved inventory accuracy.

YAPP's SAP Investment Evaluation

The following figures show the impact of savings due to increased operational efficiency, working capital reduction, and reductions in inventory variance (cash inflow) versus YAPP's investment in its new system (cash outflow) over seven years. With an internal rate of return of 38% and a net present value of CNY 3.44 million (€321,800), the estimated payback on the investment occurs in 2.8 years in 2006.



YAPP's SAP Investment Evaluation

POSH RUNS SAP.

SAP Channel Partner Success Profile

China

SAP Channel Partner

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BREAKING NEW GROUND IN CHINA'S ERP MARKET

Beijing Superpower shares its insight on China's growing ERP market and the potential business pitfalls resellers should keep an eye on.

In China, small and medium enterprises (SME) are a formidable force to be reckoned with. With over 3.6 million registered companies and 27.9 million self-employed businesses, SMEs constitute more than 99 percent of China's enterprises, reports the Shenzhen Daily.

As a result of the government's economic reforms, market-opening measures and privatisation of former state-owned companies in recent years, SMEs' appetite for IT and enterprise management solutions has surged leaps and bounds in anticipation of lucrative global opportunities. In fact, China's enterprise resource planning (ERP) market is expected to be worth US$386 million in 2006, reveals research firm International Data Corp (IDC).

However, SMEs are generally limited by their financial resources, compounded by a corresponding inertia that is perpetuated from archaic techniques of administration and management. Yet Beijing Superpower, a SAP channel partner, has carved a niche for itself in a market that is filled with voracious domestic software providers the likes of Kingdee and Ufida.

A Bold Move

Beijing Superpower's success did not come easy as the SME market is filled with intricacies that can be hard to navigate.

"To succeed in China, resellers must know one crucial thing," says Mr. Zhang Yejun, General Manager, Beijing Superpower. "Your efforts will be wasted if you only push business management policies of the Western world without understanding what makes Chinese enterprises tick."

> **"Your efforts will be wasted if you only push business management policies of the Western world without understanding what makes Chinese enterprises tick."**
>
> Mr. Zhang Yejun, General Manager, Beijing Superpower

The company's knowledge of the ERP and China SME market demands is accumulated over the years, right when it started off in 1992 as a hardware developer and supplier of mobile technology such as notebooks and related peripherals. In 1999, the company expanded its services to include ERP software consulting services and logistics to increase profitability and competitiveness.

"We initially developed a customised ERP solution for internal use, but it became so popular with other companies that we decided to market our solution," Mr. Zhang explains.

During the process of developing and commercialising this homegrown solution, Beijing Superpower evaluated the strengths of various ERP software from local and overseas vendors to understand the competition better. It was during this discovery process that it realized that SAP Business One's features, capabilities and underlying architecture were superior to similar solutions in the market.

In light of this, Beijing Superpower changed plans and became a SAP Business One value-added reseller, providing customers with consultation and implementation services.

This bold move has paid off handsomely.

After it was appointed SAP Channel partner in March 2005, Beijing Superpower went on to win the accolade of Best SAP APA Business Partner – SAP Business One 2005 for securing more than 200,000 Euro in software revenue.

Understanding China's SMEs

Although the interest for enterprise solutions is growing, SMEs are reluctant to invest time and money in licenses and maintenance. And as the cost of labor is low in China, it is more cost effective for SMEs to hire additional manpower to deal with burgeoning work processes on an ad hoc basis. Even if they do invest, companies prefer solutions from domestic software vendors as they are very price competitive.

"We initially developed a customised ERP solution for internal use, but it became so popular with other companies that we decided to market our solution."

Mr. Zhang Yejun, General Manager, Beijing Superpower

"In China, cost is everything," says Mr. Zhang. "Most SME owners are uneducated about the value of enterprise solutions, much less the importance of a solid maintenance program. So long as you are able to provide them with a solution that more or less fits their requirements at the lowest price and in the shortest time possible, they will sign the contract."

As if these barriers are not daunting enough, there are also instances where buyers engage solution vendors to develop proofs of concept as part of the project pitching process and subsequently hiring in-house developers to create a system based on the vendors' input.

To address these challenges, Mr. Zhang asserts that it is paramount for resellers to first understand the value proposition of the product they are selling. That is why Beijing Superpower leverages SAP Business One to run its operations.

"SAP Business One comes with a set of industry best practices, which streamlines our operations, makes our processes more efficient and enables us to compete on a global scale."

Once a reseller grasps this product differentiation, it will then be easier to persuade clients to look beyond price. For Mr. Zhang, he will also convince clients to consider the fact that SAP Business One is a cost-effective solution that is tailored to meet the specific requirements of growing companies.

Another value proposition he will emphasize is that the product is a culmination of powerful industry insight and best practices SAP has gained by working with leading companies around the globe for more than 30 years. It is therefore a valuable knowledge bank that is worth investing in.

"As a reseller, you must not focus on just the product alone. You have to encourage companies to adopt proven business philosophies and management theories," says Mr. Zhang.

What would be attractive to China SMEs are solutions that are quick to implement – another strength of SAP Business One. Yet many ERP resellers choose to apply traditional implementation methodology to Chinese projects.

"China is changing too rapidly. Customers cannot wait for the project team to come up with concept proposals before the actual implementation. So you have to strike while the iron is hot," adds Mr. Zhang.

The best strategy for any reseller is to integrate the client's corporate philosophy with SAP's robust and flexible standards-based solution. And this is achieved through developing add-on solutions that are customized to the clients' requirements.

"This is the most attractive value proposition that any reseller in China can have."

"SAP Business One comes with a set of industry best practices, which streamlines our operations, makes our processes more efficient and enables us to compete on a global scale."

Mr. Zhang Yejun, General Manager, Beijing Superpower

The Best is Yet To Be

Currently, Beijing Superpower differentiates itself by providing SAP Business One and add-on solutions to high-value verticals such as the banking, retail, consumer products, engineering and construction sectors.

"We will continue to make inroads for SAP solutions in China because this market is brimming with potential. Furthermore, SAP has given us a very strong and united support system to improve our expertise. In turn, we are committed to providing SMEs with a mature management system like those from SAP's to grow their businesses," Mr. Zhang concludes.

India

SAP Channel Partner

COCONUT SOFTWARES MAKING IT A PRIORITY IN GROWING INDIAN ENTERPRISES

Coconut Softwares reveals its market strategy and how its partnership with SAP has helped growing Indian companies see the relevance of IT in their business.

India is perceived as the land of emerging opportunities and a hotbed for technology activities. An area that would appeal to IT vendors and their channel partners is the small business segment since growing companies make up as much as 98 percent of enterprises in the country, according to Access Markets International (AMI) Partners, an IT market intelligence and consulting firm.

Yet for enterprise solutions providers like Coconut Softwares Services, a mySAP All-in-One partner, this business route is not exactly a yellow-brick road. AMI-Partners has reported that more than 60 percent of growing businesses do not see the relevance of technology in their business.

"As a result, it requires great effort on any solutions provider to position his solution to show tangible benefits to Indian businesses, especially when it comes to solutions like enterprise resource planning (ERP)..."

Mr. Jenish P. K., Director, Coconut Softwares

"It is never easy to sell IT-based solutions in India," says Mr. Jenish P. K., Director, Coconut Softwares. "We had to create the need for IT always."

In fact, Indian businesses typically regard IT investments in the same vein as capital investments in manufacturing capacities, he explains. Hence, they expect quick return on investment (ROI), break-even periods and payback times.

"As a result, it requires great effort on any solutions provider to position his solution to show tangible benefits to Indian businesses, especially when it comes to solutions like enterprise resource planning (ERP) where the investment and impact on the organization is higher."

Headquartered in Navi Mumbai, Coconut Softwares employs 250 IT professionals and has eight years of experience delivering cost-effective preconfigured SAP solutions for various vertical industries in the public and private sectors. So how does this experienced solutions provider "create the need for IT" among firms both big and small and stand out from the competition?

Stoking the Need

Since different companies are at various levels of preparedness when it comes to IT adoption, Coconut Softwares too engages them in different ways. For instance, the sales team will concentrate on what it calls the "Sure to invest" and "Promising" group while the marketing team invests resources to educate companies that will take a longer time to or do not understand the need for IT.

Whatever the target, Mr. Jenish says his company will adopt the following strategy to make IT and ERP priorities in clients' annual budget:

- Create a business need
- Help them to include IT investment in their budget and rationalise it
- Show ROI
- Show cost savings
- Show increase in efficiency
- Emphasize increased customer satisfaction

Going Vertical

Another strategy Coconut Softwares adopts to differentiate itself and tackle market needs more effectively is to specialise in industry-specific SAP solutions. The company is a qualified channel partner for mySAP All-in-One solutions for Textile, Chemical and Pharmaceutical. This year, it plans to qualify for two industry solutions: Consumer Products and Retail, and Steel.

According to Mr. Jenish, there are four main reasons behind his company's focus on specific vertical industries. Namely, it is to spread the business risk across different verticals and benefit from the growth rate in those industries. It is also to brand Coconut Softwares as a company which has solutions spread across various industries.

Finally, it is a great way for the company to gain intellectual property and best practices from one vertical industry and apply them to other relevant industries.

Market Challenges

Aside from differentiation, Coconut Softwares has to ensure its operation is adaptable enough to address harsh market-specific challenges as well. One such challenge is how it should position its solutions and services. This is especially tough since some growing companies perceive enterprise software implementation to be a low-cost affair irrespective of the complexities of business process, scope and geographical spread, says Mr. Jenish.

That is why it is essential to manage customers' expectations appropriately and advice them on how cost should be measured with the returns they get from the investment. For example, this can be done by looking at and measuring the benefits accrued from implementing SAP, which are quite tangible, he elaborates.

Then there are economic factors that essentially affect the profitability of his company's propositions. Coconut Softwares' initial set-up cost, for example, is relatively high since a lot of resources (e.g. sales, pre-sales, solution development, implementation, support teams) are required to deliver and support clients' project requirements. Furthermore, it sometimes has to deal with uncompensated delays by customers.

Other challenges it has to deal with are related to implementation (e.g. non-availability of dedicated project teams from the customer, high resistance to change on the customer's part), ability to deliver maintenance and support to fulfill clients' needs and how to ensure there is always committed and qualified SAP skilled resources available.

A Win-win Partnership

Fortunately for Coconut Softwares, its partnership with SAP has provided the company with the appropriate tools, support and industry-specific expertise it needs to tackle market-specific challenges.

"Our partnership with SAP has opened new markets for us. Apart from helping us gain customers, it has increased our confidence in implementing SAP solutions in the least possible time, allowing us to provide the customer with the maximum number of industry-specific functionalities he would ever need."

Mr. Jenish P. K., Director, Coconut Softwares

Working closely with SAP has in fact helped the company position and strategise its business more shrewdly in a competitive market. Using tools like SAP Solution Composer, Coconut Softwares is able to increase its value proposition by designing long-term roadmaps that help clients visualise how their business could be aligned with SAP solutions.

Another plus of the SAP partnership is the Joint Engagement Model, which allows Coconut Softwares to engage with other SAP partners who have common interests to ensure delivery success.

And with SAP's input, Coconut Softwares has also improved the way it positions, differentiates and prices its solutions via marketing campaigns and sales collateral – one of the toughest challenges in a crowded market space.

In addition, the partnership has helped Coconut Softwares evolve a flexible pricing strategy based on components such as license, template, service, and annual maintenance services (AMS) cost, thereby optimising revenue for the company, adds Jenish.

The result? Coconut Softwares' revenue and number of consultants have doubled since partnering with SAP in 2004.

"Our partnership with SAP has opened new markets for us. Apart from helping us gain customers, it has increased our confidence in implementing SAP solutions in the least possible time, allowing us to provide the customer with the maximum number of industry-specific functionalities he would ever need," says Mr. Jenish.

Coconut Softwares clinched the highest number of deals in company's history in 1H 2005. Some customer wins in its honor roll includes Gupta Synthetics, Kemwell Pharma, Colorroof and Kores India.

On top of aggressive plans to extend operations to Thailand by year end, and to Singapore and Australia, Coconut Softwares also aims to be the market leader in India's growing enterprise software segment. For Coconut Softwares, SAP is indeed the perfect partner to share its ambitions with.

Korea

SAP Channel Partner

CHANNEL™ SAP PARTNER GOLD

UNDERSTANDING THE KOREAN BUSINESS PSYCHE

Daebosystem has its finger on the pulse of Korean SMEs and explains how best to address their concerns.

Small and medium enterprises (SMEs) are the backbone of the Korean economy, accounting for 99.8% of all businesses according to the Small and Medium Business Administration of Korea. There are some 2.95 million SMEs in the country, of which 900,000 are classed as medium-sized, with 50-300 employees, and 240,000 as small, with 10-50 staff.

In Korea, SMEs have grown steadily over the years by acting as subcontractors for larger enterprises. However, the traditional growth factors that have helped SMEs expand are increasingly disappearing as the global economic environment changes. Rather than depend on domestic suppliers alone, large enterprises are now adopting global outsourcing strategies, especially since China and other emerging economies are offering better cost competitiveness. At the same time, market liberalisation and the struggle to keep up with ever-shorter technology cycles have led to higher competitive pressures for SMEs in all industries.

Seoul-based Daebosystem Co., Ltd (Daebo) saw an opportunity to help SMEs hoping to stay competitive by investing in business solutions. This prompted the company to become a SAP Business One Sales and Service Partner (SSP) in 2004.

"In 2004, the reputation of local ERP solutions took a battering because of financial problems suffered by a local software chain, which eventually went bankrupt. Daebo saw a huge potential in working with a reliable foreign vendor such as SAP instead."

Mr. Sung Jong Park, President, Daebosystem Co., Ltd

"In 2004, the reputation of local ERP solutions took a battering because of financial problems suffered by a local software chain, which eventually went bankrupt. Daebo saw a huge potential in working with a reliable foreign vendor such as SAP instead," said Mr. Sung Jong Park, President of the 15-year-old establishment.

Daebo chose to work with SAP Business One, and said that SAP's SME strategy for the software has helped the company by providing very clear guidance on how to succeed in the SME market. "Developing industry micro-vertical solutions and best practices are the most valuable and efficient marketing strategies for the Korean SME market," said Mr. Park. "That is why we have invested in industry-specific add-on solutions in various industries, especially for the retail and manufacturing markets."

However, doing business in Korea is not smooth sailing for SSPs like Daebo, as Korean SMEs have developed stereotypes about business solutions in general, and about SAP as well.

Where The Challenges Are

"Even today, most SMEs believe that SAP is more suitable for large enterprises rather than for smaller companies. However, with the release of SAP Business One, they're

beginning to realise that SAP solutions can be reliably implemented for their company," said Park. And to counter the perception that SAP is expensive to implement, the company would emphasize that SAP Business One is not an existing solution for large enterprises, but a solution specifically built with SMEs' needs and budget in mind.

The Korean SME market is also characterised by a strong requirement for localisation, Park added. International vendors will not be able to garner mindshare or market share if they do not have a solution that has clearly been tailored to the unique requirements of the local market.

In order to make SAP applicable to SMEs and eliminate the misconception that its SAP software is solutions are difficult to implement as it is they are not localised, Daebo would highlight that SAP Business One is capable of fulfilling industry-specific requirements. The company would also emphasize that it is very easy to use and implement, Mr. Park added.

But as negative experiences with financially unstable vendors are fairly common, Korean SMEs do worry whether the vendors they work with will exist in the long term – a fact that Daebo can easily capitalise on.

"We differentiate SAP Business One from the local ERP vendors based on the quality of SAP's maintenance services. We show how implementing SAP will mean lower total cost of ownership (TCO), and stress that the vendor has economic stability," he said. "SAP is known to be a verifiable, global and robust solution. Moreover, over 90% of large Korean enterprises have used SAP solutions."

Mr. Park also notes that SMEs in Korea are unfamiliar with world-class business solutions like SAP Business One, and do not always understand how best to work with them. "They would prefer to apply their current workflows to SAP Business One rather than to leverage on the standard processes and functions within the system," he said. "We have to explain why the best practices from SAP are beneficial."

Success Over Success

Daebo received US$5.5 million in revenues for 2005, and attributes much of its success to SAP.

"We differentiate SAP Business One from the local ERP vendors based on the quality of SAP's maintenance services. We show how implementing SAP will mean lower total cost of ownership (TCO), and stress that the vendor has economic stability."

Mr. Sung Jong Park, President, Daebosystem Co., Ltd

"Since our partnership with SAP began in 2004, we have enjoyed not only 20% revenue growth, but have also had tremendous opportunities to serve the SME market with SAP Business One," said Mr. Park.

Daebo has seen a steady stream of SAP Business One customer wins, such as SSangyong Paper and the London branch of SK Shipping London branch. Its outstanding achievements were recognised by SAP in both 2004 and 2005. Daebo received the 2004 Best Performance in Revenue award from SAP Korea, and two Certificates of Recognition in 2005 from SAP APA, one of which was for Midpoint Awards.

Mr. Park is confident that Daebo has a unique selling proposition when compared to the competition, particularly since the company has 120 consultants and plenty of experience in developing and implementing sophisticated industry-specific solutions. The company plans to give SMEs even more of what they want in future.

"We have packaged solutions for the high-tech, retail, automotive, and chemical industries based on the industry

"Since our partnership with SAP began in 2004, we have enjoyed not only 20% revenue growth, but have also had tremendous opportunities to serve the SME market with SAP Business One."

Mr. Sung Jong Park, President, Daebosystem Co., Ltd

best practices of SAP and SAP Business One. We are also going to develop customer solutions that can be installed and implemented with low cost and within a short period. We're sure that this is the most effective strategy for the Korean SME market," Mr. Park said.

EVOLVING ALONGSIDE SMALL AND MIDSIZE ENTERPRISES' CHANGING NEEDS

Like the clients that service the distribution and manufacturing markets, Australian-based Evolution Software Services, finds itself evolving for the better as a valued SAP channel partner.

Making IT decisions simply based on word-of-mouth is no longer a common practice for owners of small and midsize enterprises (SMEs) in Australia. "In the past, business owners might just depend on the information given by their IT managers or opinion of their business counterparts who own enterprise software.

But things have changed over the years. Business owners are now more critical of their IT investments," says Mr. Terry Morton, Director of Evolution Software Services (Evolution), an SAP sales and service partner headquartered in New South Wales, Australia.

What has also changed is how they perceive IT. Adds Mr. Morton: "SME business owners never used to see the value of IT and that perception has changed." For instance, if a business owner needed to improve their company's warehousing process previously, they would simply hire more people. Nowadays, technology will be deployed to solve this business problem as owners recognize they can leverage IT to reduce operating costs, increase efficiency and improve business processes.

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Mr. Terry Morton, Director of Evolution Software Services (Evolution)

What SMEs Need

Having been in the business for over 30 years, Evolution is certainly in the know when it comes to the needs of SMEs – especially those in the distribution and manufacturing sectors. In February 2006, it clinched the SAP award of "Best SAP APA ANZ Hub Channel Partner – SAP Business One" for the second consecutive year in a row. It also received the awards for "Highest Performing Business One Channel Partner by Revenue H1 2005" and "Top Selling Business One Channel Partner by Customer Acquisition H1 2005".

So what is the secret to Evolution's success? According to Morton, Evolution's unique selling proposition is its ability to listen to the clients' 'pain' points before executing flexible, future-proof IT solutions that are tailored to fit specific industry needs.

For example, many of Evolution's clients in the distribution industry find that they have to have a fast turnaround to win business and maintain major retailers as clients. "Many retailers also determine the technology that their distributors must use to automate business processes. So if they cannot keep up with the retailers' requirements, distributors will

lose their sales contracts," he explains. For the light manufacturing companies, whom Evolution works closely with, especially in the steel industry, they too are finding the turnaround time required to deliver their products getting shorter.

These competitive forces, together with the tightening of the Australian economy and growing competition from overseas companies, are driving the demand for IT solutions and services. This certainly bodes well for Evolution but even then, Mr. Morton says that the SMEs are very selective of the IT partners they work with.

This is because SMEs know that there is consolidation happening in the enterprise software space and that many vendors may not survive, he explains. This means that SME owners only want to invest in software from established brand names who are capable of providing support for the long-term.

Brand Matters

That is why Evolution made a strategic decision to align itself with SAP. It became a SAP channel partner for SAP Business One in November 2003 and it plans to include mySAP All-in-One as part of its business offerings by end of 2006. Some of the company's SAP clients include Taylors Wines, Blue Scope Steel, Huber & Suhner, Apex Steel, and ASP Plastics.

This alliance with SAP has opened many doors for Evolution, thereby increasing revenues for the company. "Being a valued SAP partner has an enormous impact on our business. For 2005, our revenue increased by 46 percent over the previous year and we are expecting to grow in excess of that figure this year," says Mr. Morton.

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But this success did not come easy. Although SAP is a well-known and trusted brand, Evolution's SME clients originally perceived SAP as a vendor with systems that target only the large enterprises. So when the enterprise software vendor launched SAP Business One in Australia in 2004, Evolution had the uphill task of changing SMEs' mindset.

The company tackled that challenge by aggressively positioning SAP as a company that has three systems targeted at different market segments, with SAP Business One as a perfect entry-level solution for SMEs. Together with support from SAP and Evolution's marketing push the determination paid off.

"It was tough selling SAP in the first 12 months. We had to train both our back-end and customer-facing staff to tell the same story to our clients. But customers' perception changed as we entered the second year of selling.

"Now, when we mention SAP, we will certainly be shortlisted for a project," he adds.

Essentially, SMEs recognize that SAP is a "big company that is financially secure". And if they make the decision to invest in an SAP system, their IT investment will remain relevant and deliver the desired business benefits for a long time to come.

It's All About Dedication

On Evolution's part, it sees its relationship with SAP as a continuously evolving one which will open up even more opportunities for the company in the future. Mr. Morton says that the support and cooperation his company has been getting from SAP in terms of access to industry best practices, methodologies, marketing support, as well as product information have been nothing short of amazing.

"SAP's dedication to its channel partners really comes through during my interaction with them," says Mr. Morton. "And any time we need access to tools or information that will help with the selling process, we will get it."

"We have dedicated our future to SAP... and we believe we can achieve the goals we have set out."

Mr. Terry Morton, Director of Evolution Software Services (Evolution)

It comes as no surprise then that Evolution, being an SME itself too, is spreading its wings under this win-win partnership with SAP. And Mr. Morton is confident of pushing through with these plans.

This 27 staff company is planning to hire another four employees in the near future, open a new office in Victoria and double the size of its business in two years.

Adds Mr. Morton: "We have dedicated our future to SAP… and we believe we can achieve the goals we have set out."

Indonesia

SAP Channel Partner

CONCENTRATING ON VALUE PROPOSITIONS IN INDONESIA

SCS Astragraphia discusses the issues facing Indonesian SMEs who hope to invest in business applications.

Just about every company in Indonesia today is a small and medium enterprise (SME). About 99.95% of enterprises are SMEs, with 41 million small economic units overall, inclusive of the agricultural sector, reveals the Bali International Consulting Group, a research, business consulting and integrated sustainable development company.

Despite their size, smaller businesses are rising fast. SMEs drive 57% of the national gross domestic product (GDP), reports research firm AMI-Partners. In fact, AMI-Partners has forecasted a compound annual growth rate (CAGR) of over 20% for IT investment by small businesses in Indonesia from 2004 to 2009.

A dramatic growth in 2005 GDP, coupled by active government promotion of technology to SMEs, led to US$1.6 billion of IT investment in 2005, adds AMI-Partners. For 2006, the IT investment outlook is equally bright, with small businesses expected to grow their revenues between 6%-9% with the help of IT. Over 40% of these businesses also plan to hire more employees and add more branch locations – factors which will help to further generate demand for technology solutions.

However, Indonesian SMEs do face competitive pressures as well. Like SMEs the world over, they have to battle with global competition and customers who are increasingly more demanding. At the same time, they have to deal with the commercial implications, both domestically and internationally, of avian flu outbreaks, as well as handle shrinking incomes and consequences due to increased international fuel prices.

PT SCS Astragraphia Technologies (SCS Astragraphia), a joint venture between PT Astra Graphia Tbk (Astra Group) and Singapore Computer Systems Limited (SCS), provides licenses and turnkey systems integration services for mySAP ERP All-in-One to Indonesia's SMEs within this challenging environment.

> **"While SMEs are not the dominant IT spenders in Indonesia, the segment is growing fast."**
>
> Mr. Edy Soesanto Prawirohardjo, Chief Technology Officer, SCS Astragraphia

Rising Stars

"While SMEs are not the dominant IT spenders in Indonesia, the segment is growing fast," says Mr. Edy Soesanto Prawirohardjo, Chief Technology Officer, SCS Astragraphia. "The most common ERP investment by SMEs used to be in the financial modules, as this is typically the first business application required by a startup or a SME. And as they grow, they will increase their spending on human resource systems."

SCS Astragraphia decided to focus on its SAP Practice in 1995 as one of its core competencies, and since then the company has refined its skill sets through the continuous implementation of various enhancement programs. These include the SAP Partner Academy training, ASAP methodology training, as well as project management.

The company formally became a SAP channel partner for mySAP ERP All-in-One in 2000, and has gone from strength to strength since. The company was awarded the SAP Customer Competence Center (CCC) Certification in 2002 and again in 2005, and became a SAP National Certified Implementation Partner in 2004. Most recently, SCS Astragraphia received an SAP Asia Pacific Channel Partner Award for 2005.

Mr. Prawirohardjo explains that SCS Astragraphia decided to work with SAP because of the vendor's premier position in the ERP business world. "SAP attracted us because of the prestige of the SAP brand in Indonesia," he says.

Focus On Value

The secret to SCS Astragraphia's success with SMEs, says Mr. Prawirohardjo, is threefold. "Emphasizing SAP's track record, its strong support services, and especially how its solutions are able to fit a particular business are all essential to increasing mindshare and marketshare in an increasingly competitive marketplace," he says.

However, his SME customers often start off with some reservations about SAP's solutions. "SMEs in Indonesia are always struggling with their budgets and are very price conscious when it comes to IT solutions," Mr. Prawirohardjo observes. "They harbor the misconception that SAP platforms are difficult to implement. They are also concerned about SAP's license pricing and whether SAP can offer them the intensive technical support they need."

SCS Astragraphia emphasizes the price-performance instead, and tells clients about the value that mySAP ERP All-in-One can bring to SMEs, says Mr. Prawirohardjo. "We talk about the business issues, and how SAP can solve them. We show them how mySAP ERP All-in-One is a closely integrated business system which can enable them to respond more quickly to swift changes in customer demand. We also focus on how SAP technology is constantly updated so SMEs can enjoy the optimum performance all the time."

"Emphasizing SAP's track record, its strong support services, and especially how its solutions are able to fit a particular business are all essential to increasing mindshare and marketshare in an increasingly competitive marketplace."

Mr. Edy Soesanto Prawirohardjo, Chief Technology Officer, SCS Astragraphia

Concerns about implementation challenges, he adds, are quickly put to rest by showing how SCS Astragraphia is a veteran in implementing mySAP ERP All-in-One for the automotive machinery and consumer packaged goods (CPG) industry niches. SCS Astragraphia has had quite a few mySAP ERP All-in-One SME customer successes, including PT Traktor Nusantara and PT Swadaya Harapan Nusantara in the automotive-machinery industry, CPG firm PT Sinar Niaga Sejahtera, as well as Ranch Market Indonesia (Retail). Sharing SAP's impressive list of existing SME customer references for mySAP ERP All-in-One with prospective customers has also been extremely helpful, he says.

"Our value proposition is not just in specialising in these two industries, but also in providing outsourcing services for mySAP ERP All-in-One that will allow resource-limited SMEs to concentrate on running their businesses," Mr. Prawirohardjo notes. "We understand that SMEs might not have the in-house expertise to maintain a business application, and offer them the entire solution from planning stage to post-installation maintenance."

SAP Boosts Growth

In the final analysis, mySAP ERP All-in-One has clearly enabled SCS Astragraphia to significantly increase its revenues and expand its target markets with industry-specific solutions, concludes Prawirohardjo. "We have done well working with SAP, and had good support from the SAP sales team."

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Mr. Edy Soesanto Prawirohardjo, Chief Technology Officer, SCS Astragraphia

In the coming months, SCS Astragraphia will continue to promote the SAP platform to Indonesia's SMEs in its chosen market segments. The company also plans to organize SAP-related seminars and workshops in major Indonesian cities to create exposure for, and to educate SMEs about mySAP ERP All-in-One. "SAP's strengths are clear," he says. "It's not difficult to show SMEs how easily they can benefit."

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AFTERWORD

As the more than 100 companies here have demonstrated, companies – both big and small – can grow even bigger and more successful with the help of SAP.

Leveraging SAP's suite of solutions built with over 30 years of best practices working with industry, your business too can achieve the processes, cost efficiency, and competitive edge you will need to expand and sideline the competition. Together with the expertise of our Partners and Consultants, you can rest assured of a rapid and cost-effective SAP implementation to accelerate return on investment (ROI).

Contact us now. Regardless of which industry you are in, you can be assured there is an SAP solution based on best practices just for your needs.

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(07/01)
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