

## SAP Customer Success Story

“SAP NetWeaver has enabled us to create integrated business processes, increase the user-friendliness of our marketplace infrastructure, and sustainably reduce the total cost of ownership of our IT systems.”

Dr. Christian Stöcklmayer, IT Director, SupplyOn



### AT A GLANCE

#### Company Name

SupplyOn AG,  
Germany  
www.supplyon.com

#### Industry

Automotive industry

#### Key Challenges

- Create a flexible and future-proof infrastructure that enables easy integration of new applications and services and has a user-friendly logon and registration procedure
- Consolidate multiple data sets

#### Implementation Partner

SAP® Consulting, part of SAP Customer Services Network

#### Solution and Services

SAP NetWeaver™, which includes the SAP Exchange Infrastructure and SAP Web Application Server components

#### Existing Environment

- SAP R/3® software, which is available today in the mySAP™ ERP solution
- mySAP Product Lifecycle Management

#### Implementation Highlights

- Unification of logon and registration procedures from stand-alone applications to offer single sign-on capability
- Harmonization and consolidation of the master data of SupplyOn customers
- Installed SAP Web Application Server as a development platform

#### Key Benefits

- User-friendly marketplace infrastructure with central user management and single sign-on capability
- Fewer interfaces and simplified system administration
- ROI of 89% expected within a five-year period
- Permanent total-cost-of-ownership reduction of at least 20% expected in the next 10 years

#### Hardware

Sun, HP

#### Operating System

Sun Solaris,  
Microsoft Windows 2000

## SUPPLYON

### VIRTUAL PROCUREMENT MARKETPLACE SUCCESSFULLY INTEGRATES IT SERVICES FOR THE AUTOMOTIVE INDUSTRY WITH THE SAP NetWeaver™ PLATFORM

Since its founding in 2000, SupplyOn, a procurement marketplace for the automotive industry, has grown to provide a collaborative portal offering for around 5,600 companies in over 30 countries. To support its growth, SupplyOn opted to implement the SAP NetWeaver™ platform.

### VIRTUAL FORUM FOR INTERNATIONAL BUYERS AND SUPPLIERS

Simple and efficient business processes are the essence of the SupplyOn procurement marketplace for the automotive industry. The innovative intermediary online broker, headquartered near Munich, Germany, provides a collaborative portal with e-business solutions that enable users to execute business processes beyond company boundaries in the areas of sales and purchasing, logistics, product development, and quality management. SupplyOn customers benefit considerably, as they no longer need to invest time and money in the development and maintenance of their own applications and infrastructures.

Since SupplyOn was founded in 2000, an increasing number of automotive companies have been making use of the Web-based services it offers to perform important processes as a part of their daily operations. With BMW, Bosch, ZF Friedrichshafen, and Siemens VDO Automotive numbering among its customers, SupplyOn's client list reads like a “who's who” of the international automotive industry.



## **INTEGRATED MANAGEMENT OF DATA AND PROCESSES**

The rapid growth of the company and an acute need for new, process-oriented solutions have placed heavy demands on the SupplyOn marketplace and its underlying IT infrastructure. In order to represent all the required processes of customers and vendors, and to provide support for optimal processing, SupplyOn identified a requirement for stronger integration of its existing solutions. In particular, the company wanted to streamline the procedure for logging on and registering customers and vendors, a manual process that needed to be performed separately for each of the numerous stand-alone applications in the marketplace. “The large number of separate registration processes led to an increased frequency of errors in data input, resulting in inconsistent master data, which in turn interfered with the efficient processing of transactions,” says Dr. Christian Stöcklmayer, director of IT, SupplyOn. This situation resulted in a very high workload for processes such as the consolidation and reporting of company key figures and billing. According to Stöcklmayer, “Our previous, very heterogeneous system landscape meant that integrated data management was not possible. Short-term changes could not be immediately effected in all applications and data sets or communicated to all users.”

SupplyOn was looking for a more flexible solution that would be capable of linking business processes across applications, standardizing the logon procedure, and reducing the administration and maintenance workload of the system. In early 2003, SupplyOn decided to implement the SAP® Exchange Infrastructure and SAP Web Application Server components of SAP NetWeaver.

**“[SAP NetWeaver] enables a flexible and affordable further expansion of the marketplace and opens up new potential for revenue and growth.”**

**Markus Quicken, Executive Board Member for Sales and Services, SupplyOn**

## **SAP CONSULTING EASES PROJECT REALIZATION**

For the realization of the project, SupplyOn relied on consultants from SAP Consulting, a part of SAP Customer Services Network, and their expert knowledge of the latest SAP technologies.

“SAP Consulting’s product and solution knowledge, precisely focused at the level of the business process, was a significant factor in the smooth, on-schedule realization of all project goals,” says Stöcklmayer.

Following a detailed project preparation and conception phase, project leaders from SupplyOn and SAP Consulting together steered the consultants and developers in four different locations towards a successful project conclusion. Clear assignment of tasks and responsibilities, as well as tried and tested methods of quality assurance and project control, ensured a transparent project structure and goal-focused working methods. Telephone and video conferences were used whenever necessary for coordination between virtual working teams in Germany and the United States, enabling the teams to adhere to the tight deadline for SupplyOn’s SAP NetWeaver project with no setbacks. Despite geographical separation and regardless of time zone differences, the requirements of SupplyOn’s core business processes were realized, step-by-step, with SAP solutions.

### **SLIMLINE, EFFICIENT, AND CUSTOMER FOCUSED**

In March 2004, the hard work finally paid off: implementation of a new marketplace infrastructure based on SAP NetWeaver enabled SupplyOn to go live with more efficient business processes and improved services. Now, with single sign-on capability, users can log on once and gain considerably easier and faster access to the integrated applications of the marketplace, such as the sourcing manager, the document manager, and the performance monitor. Curious customers can use the performance monitor, for example, to evaluate the delivery reliability of their business partners. In this way, SupplyOn guarantees transparent quality management. "The new marketplace infrastructure has enabled us to fulfill our own aim of bringing together people, information, and business processes as quickly, conveniently, and efficiently as possible," says Markus Quicken, executive board member for sales and services, SupplyOn.

Today, standardized master data and a similarly transparent and flexible system structure form the basis of efficient, standardized, and affordable processes beyond the level of individual applications. For example, because the document management system is integrated into the purchasing process, all vendors that are registered to submit quotations are able to view not only the quotation itself, but also all related documents. Thanks to this integration, the laborious exchange and constant updating of additional data from e-mails or regular mail is rendered superfluous.

SupplyOn also enables vendors to take on slotting responsibility for their consumers: SupplyOn's vendor-managed inventory (VMI) provides vendors with online access to current warehouse stock and future requirements. Vendors can use this information to plan and execute the ordering process themselves.

### **GARTNER MEASURES PROJECTS' POTENTIAL**

A cost-benefit analysis by Gartner in the summer of 2004 concluded that SupplyOn's investment in an integrated platform solution based on SAP NetWeaver can be classified as beneficial, with an ROI of 89% and an amortization time of around five years. Stöcklmayer has also calculated the cost-reduction potential of the project. He says, "We also anticipate that the central marketplace infrastructure will result in a permanent reduction of the total cost of ownership of more than 20% over the next 10 years." The overall benefit of the project can not yet be estimated completely: for the analysts from Gartner, however, it is beyond question that a change management process simplified by the open SAP NetWeaver platform guarantees the uncomplicated extendibility of the marketplace, thus opening up new potential for revenue and growth.

At SupplyOn, new ideas are certainly not in short supply: the company is planning to further accelerate integration of its infrastructure and, in the future, to connect the marketplace directly to the employee portals of customers and vendors. The open infrastructure of SAP NetWeaver has opened up a world of possibilities for SupplyOn. "The simple, standardized integration of further applications into the portal infrastructure enables a flexible and affordable further expansion of the marketplace and opens up new potential for revenue and growth," says Quicken.

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