

SMALL BUSINESS AND MIDSIZE COMPANIES

IN THE RIGHT PLACE AT THE RIGHT TIME

SAP has earned a reputation for providing highly sophisticated software to the world's largest companies and government agencies. But the fact is, more than two-thirds of our customers are small businesses and midsize companies – with sales of under US\$1 billion.

Perhaps Our Biggest Opportunity Ever

The world of small businesses and midsize companies is so vast that its exact size is difficult to quantify. For example, government sources estimate that there are 25 million small businesses in the United States alone. And as the Internet and globalization continue to create strong demand among these businesses for world-class software, the small and midsize segment represents the greatest market opportunity in SAP's three-decade history.

With three product lines that address this opportunity, SAP has established itself as the one software company that truly understands small businesses and midsize companies – and has the solutions to prove it.

Helping Small Businesses Meet Big Challenges

Having worked with tens of thousands of small businesses and midsize companies worldwide, SAP understands the unique challenges of doing business in today's global economy. For example, today's small businesses and midsize companies must meet the same trade and security regulations as their larger counterparts. They must translate the same languages and currencies. They must adopt the same sophisticated processes for managing customer relationships, supplier relationships, and supply chains. They must network in the same manner with business partners worldwide. And while their current software requirements may be limited, they aspire to a level of growth that will mandate greater capabilities in the future.

The good news is, small businesses and midsize companies don't need to face these challenges with traditional "off-the-shelf" software that offers limited features and growth potential, or costly custom-designed applications. Because SAP has applied its unprecedented knowledge of global best practices, and its unparalleled experience, to create the world's broadest family of software for small businesses and midsize companies.

SAP's offerings for small businesses and midsize companies now comprise three families of solutions that are powerful and highly sophisticated – yet very easy to implement and use. And the entrepreneurial market has responded with characteristic enthusiasm.

SAP Business All-in-One

SAP Business All-in-One is the right solution for midsize companies with deep industry-specific needs. SAP Business All-in-One can be deployed on-premise or hosted by a partner, and is built on the SAP ERP application which has been specially packaged for quick implementation and use by midmarket companies. It provides deep industry functionality built on SAP Best Practices offerings, and is delivered through hundreds of qualified solutions from over 1,000 partners. Taking advantage of the highly structured, easy-to-adapt SAP Business All-in-One platform, these partners offer more than 600 highly specialized versions,

INGREDIENT FOR SUCCESS

FOODSPRINT: SAP BUSINESS ALL-IN-ONE SOLUTION AT A. LOACKER AG



Stricter compliance requirements, rising production costs and fierce international competition have prompted the food industry to seek integrated IT solutions to achieve greater efficiencies and savings. The cormeta FOODsprint solution, based on SAP Business All-in-One, is pre-configured with specific industry enhancements for rapid implementation and offers complete supply chain management and product tracing – from suppliers to store shelves.

For Italian wafer and chocolate specialty maker A. Loacker AG (Loacker), FOODsprint has been instrumental in helping the company manage complex business processes. With an annual turnover of €130 million, today Loacker is recognized throughout the world as an international brand, producing as many as 80 different wafer, patisserie, and chocolate specialties. To ensure on-time manufacturing logistics and accurate food safety regulation compliance, Loacker uses FOODsprint to control and monitor all aspects of the production process – from raw materials and semifinished goods to finished goods and packaging. The software automatically creates a batch number for goods receipt and uses it to track all production steps in the system.

The solution's sophisticated, IT-driven production processes support Loacker's thriving international business. From Mauritius, Dubai and Japan, to Canada and China, FOODsprint is helping Loacker stay top-of-shelf and top-of-mind throughout the world.

“SAP Business All-in-One has helped Loacker move along the path into a €130 million-per-year international brand.”

Leonhard Hillebrand, CIO of A. Loacker AG

with features and functions designed for specific “micro-vertical” markets and specific geographic regions. SAP Business All-in-One is affordable and predictable, with rapid deployment through pre-configured business scenarios and deployment accelerators. Little wonder it is currently the choice of more than 10,000 customers in 50 countries.

www.sap.com/solutions/sme/businessallinone

SAP Business ByDesign

A highlight of 2007 was the September introduction of SAP Business ByDesign.

SAP Business ByDesign is the right solution for midsize companies who have 100 to 500 employees, who are focused on improving core business processes with a low cost of entry and a low total cost of ownership, and who are interested in an on-demand solution. SAP Business ByDesign combines the benefits of integrated, end-to-end business applications with the low risk and low total cost of ownership (TCO) of an on-demand solution.

SAP Business ByDesign helps midsize companies eliminate departmental silos, improve the efficiency and effectiveness of employees, increase proactive decision making, adapt to changes in their business, and gain control and visibility while keeping IT simple. SAP Business ByDesign is supported by a network of global and local partners that sell and service complementary solutions and provide on-demand content. This ensures that our customers have access to local solution providers who understand and can meet the needs of their specific businesses.

Fundamentally different from competitive midmarket solutions, SAP Business ByDesign is a game-changing business solution that drives faster time-to-value, drives easier consumption and helps minimize customers' overall IT costs dramatically by reducing the need for user training, hardware investments, service, support and IT staffing. The solution was built from the ground up on SAP NetWeaver, providing a future-proof platform for business that gives customers the flexibility to adapt business processes in order to address evolving market demands.

SAP Business ByDesign also represents an entirely new business model for SAP. In addition to leveraging our partner network, SAP Business ByDesign is sold directly to businesses through online advertising, print advertising, and direct-mail programs. And, prospects are invited to try, configure, and run SAP Business ByDesign before they buy. Through its features, its on-demand platform, and its marketing approach, SAP Business ByDesign allows SAP to reach customers who would not otherwise consider using enterprise software solutions.

www.sap.com/solutions/sme/businessbydesign

SAP Business One

SAP Business One is the right solution for small businesses, typically with fewer than 100 employees and 30 users that are looking for an affordable, single system to cover the core operations necessary to run and grow a successful business, including financials, sales, customers, and operations. SAP Business One can be deployed on-premise or hosted by a partner, typically in less than one month. The solution is sold exclusively through a global network of more than 1,300 certified, experienced partners who are dedicated to offering 24/7 support, with over 350 extensions from independent software vendors and more than 40 country versions.

At the end of August 2007, SAP Business One celebrated a landmark of 15,000 installations and customers. This significant number demonstrates that the affordable, easy-to-implement business management solution is meeting the needs of emerging and dynamically growing small businesses and midsize companies.

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DELIVERING CHANGE ON DEMAND

SAP BUSINESS BYDESIGN AT COMPASS PHARMA SERVICES



Compass Pharma Services LLC (Compass) provides outsourced contract packaging, manufacturing and distribution services to many of the world's best-known pharmaceutical companies. The company has built a highly successful business model by responding quickly to short-run, just-in-time orders, and by providing customers with information visibility across their operations.

However, Compass lacked fully integrated systems and the ability to easily share data within the company as well as with their customers. Compass needed to rapidly implement a single, integrated business solution capable of streamlining its own internal operations while linking and sharing information across its customers' IT systems and, they needed to do it with minimal investment in IT infrastructure and personnel along with a highly predictable, low total cost of ownership.

SAP Business ByDesign proved to be the optimal solution for Compass. It was deployed quickly with minimal employee training and without the cost and complexity of expensive IT infrastructure. Now, Compass can streamline and automate its own business processes, as well as centralize its operational data with little or no intervention by IT personnel or outside consultants. And because Business ByDesign is a Web-based

solution, the company can better serve its customers by easily linking their systems to manage their outsourced processes via the Internet. In addition, SAP Business ByDesign can be reconfigured and adapted with no disruption, allowing Compass to respond with lightening speed to fast changing customer demands and new market opportunities.

“SAP has done a tremendous job of translating our business requirements into an easy-to-digest business flow within SAP Business ByDesign – it's clear that SAP really took the time to understand how smaller businesses think and operate.”

Kevin Flanagan, CEO, Compass Pharma Services LLC