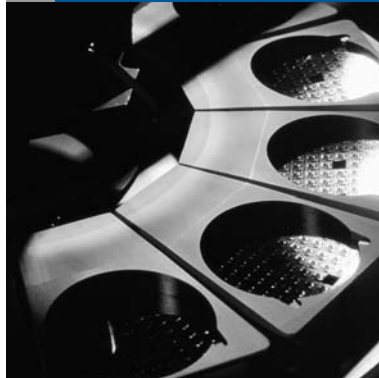


## SAP Customer Success Story



One factor underpins success in the cyclical semiconductor market more than any other: the ability to launch the right product at the right time. This requires effective planning – which means having accurate and transparent information available at all times.

With this in mind, **Carl Zeiss SMT AG** implemented SAP® **Business Information Warehouse (SAP BW)**, a part of **SAP Business Intelligence**, a key component in the **SAP NetWeaver™** technology suite.



## CARL ZEISS SMT AG

**RELIABLE INFORMATION TO SUPPORT PLANNING OF INNOVATIVE PRODUCTS AT GLOBAL MANUFACTURER**

### CYCLICAL SEMICONDUCTOR MARKET

Due to the widespread use of computers, CD players, and cell phones, the demand for powerful, low-cost semiconductor microchips has increased exponentially over the past several years. In some parts of the world, for example, an individual uses approximately 300 various semiconductor-powered devices a day. Yet the demand is seasonal and highly fluctuating, which affects how industry players compete in the marketplace. “To succeed, companies in the semiconductor industry must be able to provide cutting-edge products at the right time, which requires effective planning,” explains Dr. Thilo Ketterer, head of accounting at Carl Zeiss SMT AG (SMT). “But this is only possible if you have access to transparent, reliable data.” SAP® Business Information Warehouse (SAP BW) – a part of SAP Business Intelligence (SAP BI), which is a key component in the SAP NetWeaver™ technology suite – helped the company step up to these challenges.

SMT is a leading global provider of precision optics for the semiconductor industry. An independent division of the Carl Zeiss Group since October 2001, SMT maintains production centers in Germany, Britain, France, and the U.S. SMT generated revenues of more than €550 million in the 2001/2002 fiscal year, while its 1,800-strong workforce manufactured and sold some 200 types of

**“SAP BW provides SMT with real-time information about revenue performance, enabling us to pinpoint and react to deviations and market trends immediately.”**

Dr. Thilo Ketterer, Head of Accounting, SMT

lithography tools for the chip-production industry. The company's product range also includes electron microscopy for failure analysis and quality control in chip production, along with a variety of applications in the life-sciences and material-analysis sectors. In addition, SMT offers optical microscope instruments for wafer and mask inspection systems.

#### **ADVANTAGE OF BUSINESS CONTENT**

Before implementing SAP BW, SMT used spread-sheet printouts to provide managers and executives with key financial figures. The reports were often only available six weeks after the close of the month – a critical drawback for the company. What's more, the lack of standardized data made it difficult to share information throughout the company. SMT required a high-performance solution that would deliver a “single version of the truth” for decision makers and enhance financial reporting – an area critical to strategic operations and planning.

“We were impressed by SAP BW's open platform and performance, and the fact that it easily integrated into the SAP system landscape,” says Daniel Fischer, head of information technology at SMT.

“Another argument in favor of SAP BW was its business content,” says Klaus Schall, a consultant from TreCon GmbH, SMT's implementation partner. For example, preconfigured reports and analyses help reduce project times and enable a quick return on investment. The company also chose SAP BW because it could support SMT's business model. “We also wanted to introduce an enterprise portal solution, so it seemed logical to choose the provider who could meet all our needs,” explains Fischer. “SAP offered the most comprehensive products available.”

#### **WITHIN SCOPE, ON TIME, WITHIN BUDGET**

The SAP BW implementation began in September 2002, and the SAP BW solution went live six months later. “We completed the project within scope, on time, and within budget,” explains Dietmar Mittbrodt, project leader for SMT's BI program. “Other important factors that ensured the project's success included support from our executive board and the high priority they gave the project.”

Many of the company's decision makers now work with SAP BW. They can easily access critical business and sales information through intuitive, comprehensive, and integrated business reports using the Business Explorer (BEx) Analyzer tool. Depending on their area of responsibility, they receive an individualized view of the information with relevant key-performance-indicator (KPI) tracking. Managers and executives are able to access highly aggregated data within eight days of month-end closing, while drill-down functions offer access to even more detailed information. This represents a significant improvement over the past methods of running the business.

"With SAP BW, our decision makers can call up key figures for the month or the year. This helps us make more timely and accurate decisions," says Fischer. "SAP BW has allowed the SMT group to make great strides toward an integrated business-

**"We completed the SAP BW project with-  
in scope, on time, and within budget."**

**Dietmar Mittbrodt, Project Leader for BI Program, SMT**

management and information system." With easy access to key figures and comprehensive reporting and analysis tools, the company can gain a much clearer financial perspective and improve strategic planning in areas such as customer management, processes, and innovation.

SAP BW also provides a comprehensive source of information for controllers, who then carry out detailed analyses in SAP R/3®. "The solution has reduced, above all, the workload of controllers and has allowed them more time to analyze the figures," says Schall.

## **SPEAKING THE SAME LANGUAGE**

Thanks to SAP, SMT has experienced a great improvement in the consistency and clarity of data. "We're now all speaking the same language. The data is compiled into one definitive monthly report," says Dr. Ketterer. SAP BW's open platform means that SMT can also use the business-intelligence solution to load planning figures and simulate various scenarios. "SAP BW provides SMT with real-time information about revenue performance, enabling us to pinpoint and react to deviations and market trends immediately," adds Dr. Ketterer.

SAP BW also supports U.S. Generally Accepted Accounting Principles (GAAP) – an important feature, because, while the group follows the German code, SMT uses GAAP. "SAP BW has improved financial reporting, enabled accounting according to GAAP, and has paved the way for value-oriented business management," explains Dr. Ketterer, summarizing the main advantages.

## **PORTAL AND PLANNING SOLUTIONS**

While implementing SAP BW, SMT also introduced SAP Enterprise Portal (SAP EP) knowledge-management capabilities, with plans to extend the solution's functionality. "The SAP portal solution will help improve the presentation of our SAP BW reports. We also want to set up a self-service employee and manager portal," says Fischer.

SMT also plans to upgrade to SAP BW 3.1C, which will enable Web reporting. "We want to completely streamline our planning processes," says Dr. Ketterer. "We'll begin using the SAP BI planning and simulation capabilities early next year."

### VALUE-DRIVEN BUSINESS MANAGEMENT

Management at SMT will also be able to use SAP BW reporting tools to increase economic value added (EVA). In the medium term, the company plans to transfer its EVA data and calculation logic from an external application to SAP BW.

In the long-term, SMT wants to extend SAP BW data-warehousing capabilities to all areas of the company. It also wants to use SAP BW to introduce a standardized method for mapping its planning, reporting, and controlling processes in the company's various subsidiaries.

### AT A GLANCE

<b>Company</b>	Carl Zeiss SMT AG
<b>Challenge</b>	Need for more consolidated, transparent data to improve planning
<b>Solution</b>	SAP NetWeaver™ - SAP® BI - SAP EP
<b>Benefits</b>	<ul style="list-style-type: none"><li>- Access to key figures, displayable in easy-to-understand reports/graphs</li><li>- Consolidated management of subsidiaries</li><li>- Accounting processes in line with German commercial code and U.S. GAAP</li><li>- Integrated, automated cash-flow analysis</li><li>- Profit and loss calculations</li><li>- High-quality, consistent data</li><li>- User-friendly, intuitive operation</li><li>- High compatibility and ongoing development</li><li>- Authorization concept</li></ul>
<b>Consulting partners</b>	TreCon GmbH SAP Partner Port