

SAP Customer Success Story



SAP Business Information Warehouse (SAP BW) has given packaging manufacturer **Schmalbach-Lubeca** the means to reinforce its leading position in the packaging industry. The company has **optimized sales and purchases over its entire value chain. And sales planning, production planning, and logistics reports provide access at all times to the very latest information on the availability of supplies.**

SCHMALBACH-LUBECA
CONTINENTAL CAN EUROPE



SAP® BUSINESS INFORMATION WAREHOUSE (SAP BW) AT SCHMALBACH LUBECA

CONTROLLING OVER THE ENTIRE VALUE CHAIN

Schmalbach-Lubeca AG, in Ratingen, Germany, is one of the world's leading packaging manufacturers. The company is part of the AV Packaging Group and operates in the three core areas of PET packaging, white cap closures, and drink cans. Allianz Capital Partners and EON both have holdings in the company. The Continental Can Europe division of Schmalbach-Lubeca produces aluminum and tin cans for soft drinks, fruit juice, mineral water, and beer and ranks number two in Europe. In 1999, Schmalbach-Lubeca recorded sales in excess of DM 4 billion from its 65 production sites in 22 countries. With a workforce of more than 2,100, the Continental Can Europe division accounts for about 40% percent of group sales.

GOAL: A FULLY INTEGRATED DATABASE

Before the introduction of SAP BW, production and sales monitoring was limited because individual production and business management applications were running on a whole series of satellite systems. These included programs that the company had developed itself for a range of platforms. The company needed a single view of its sales.

In February 1998, the company began to migrate a range of business systems and spreadsheets to SAP R/3. When developing templates for the SAP R/3 rollout, the company discovered that

**SAP AG**

Neurottstraße 16
 D-69190 Walldorf
 T +49/180/5 34 34 24*
 F +49/180/5 34 34 20*
 *DM 0,24/Minute (in Deutschland)
www.sap.com

the SAP Logistics Information System did not meet all of its logistical needs and could not generate periodic reports for sales monitoring. So in December 1998, Schmalbach-Lubeca conducted a feasibility study that revealed SAP BW met these requirements. SAP BW's ability to extract and evaluate data from non-SAP systems scored especially high in Schmalbach-Lubeca's evaluation. "This is extremely important, since our production systems run under Unix on Oracle databases and need to be retained as separate, local systems. This is due to the very high volume of data that is generated," says Stefan Tittel, project manager for the Continental Can Europe division of Schmalbach-Lubeca.

TAILOR-MADE DATA STORAGE AND REPORTING

SAP BW implementation began in April 1999 with a pilot project in the company's U.K. division. The project began by modeling InfoCubes, the multidimensional data memories in which all reporting-related information relating to a company are managed from a business perspective. When the company began to develop in InfoCube for sales operations, it found that it could adopt almost 90% of the standard business content (ratios, reports, and analysis scenarios predefined by SAP) of SAP BW. With SAP BW, Schmalbach-Lubeca can prepare weekly and monthly sales reports. Collation reports on the number of cans and ends sold ("cans vs ends") underpin effective sales and production planning for the company.

The company next turned to purchasing. Here, SAP BW provides reports to suppliers and enables Schmalbach-Lubeca to bundle purchases across different factories, reducing its procurement costs. The company also uses SAP BW for basic planning at the European level and to provide information about product availability. SAP BW is already in full use at a number of European sites, but Schmalbach-Lubeca in Germany did not go live with SAP BW until November 2000.

The company will soon roll out SAP R/3® and SAP BW in its Eastern Europe region, which includes Poland, the Czech Republic, and Austria.

BENEFITS ENSURE BROAD ACCEPTANCE

SAP Systems Integration AG (SAP SI), which worked with Schmalbach-Lubeca during the project planning and implementation phases, played a key role in the successful SAP BW implementation. "SAP SI's advisers were of great assistance, particularly in modeling the various InfoCubes and in developing the overall European concept," says IT director Klaus Dieckerhoff.

Currently, about 80 employees of the Continental Can Europe division use SAP BW. This number will rise to about 400 users when SAP BW is rolled out across Europe and the third-party production and quality data systems have been integrated. SAP BW is particularly popular with users, and generally requires only one day's training. Users are especially happy with the fast, easy, and flexible reporting features. They can create reports faster and more easily, and they can personalize them to meet specific requirements.

FLEXIBLE WEB REPORTING

Schmalbach-Lubeca upgraded from SAP R/3 4.0B to 4.6B in September 2000. It plans to move from SAP BW 1.2B to 2.0B so it can handle Web reporting. The staff will then be able to access the data they require anytime, anywhere. Continental Can Europe also plans to make third-party system data available in SAP BW for quality assurance and product specification purposes.

ADVICE:

SAP Systems Integration AG
 Gründelbachstrasse 10
 D-71691 Freiberg am Neckar
 Tel: +49 (7141) 7004-520
 Fax: +49 (7141) 7004-60
 E-mail: oliver.donner@sap.com
<http://www.sap-si.de>