

SAP Customer Success Story



Texas Instruments selected SAP® Exchange Infrastructure to reduce the costs of managing upgrades across its IT architecture. TI expects cost savings through centralized management, support for interface maintenance, and cost reductions for new interfaces. The company sees strategic benefits through improved flexibility and agility, allowing it to respond more quickly to business-process change requirements and collaborative scenarios that require extending the integration net to business partners, customers, and suppliers.



TEXAS INSTRUMENTS

TEXAS INSTRUMENTS USES SAP® EXCHANGE INFRASTRUCTURE TO REDUCE INTEGRATION COSTS, SAVE TIME, AND INCREASE BUSINESS FLEXIBILITY

Texas Instruments (TI) knows from experience that big-bang upgrades in support of changing business requirements involve a lot of time, resources, and cost. So the IT organization looked for a way to reduce the risk of change and disruption to its business operations – and potentially those of partners and customers – by managing upgrades incrementally. This would also lower the costs of managing the upgrade process across TI's more than 20 systems, 300-plus interfaces between SAP and non-SAP systems, and over 5,000 objects and reports.

TI turned to SAP and its new SAP® Exchange Infrastructure (SAP® XI) 1.0 for a portion of the solution. SAP Exchange Infrastructure is based on a native Web infrastructure that leverages open standards to manage the diversity of heterogeneous components from multiple vendors running in different technology environments.

SAP XI lessens the costs and removes the barriers to true integration. It consolidates knowledge about how to access functionality, mediating among different systems to drive business processes in a shared-collaboration knowledge base.

“The product architecture is a winner, absolutely superb,” says Steve Dean, director of application architecture. “I’ve been continuously impressed by the quality of the delivered code and functionality. We are delighted with the robustness of the

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Ian Clark, Senior Member of Technical Staff

code and engine for SAP XI 1.0 and we have high expectations for SAP XI 2.0. SAP’s new development life-cycle process, solution production, is working extremely well.”

DIRECT COST SAVINGS, STRATEGIC BUSINESS BENEFITS

TI anticipates large savings with SAP Exchange Infrastructure through centralized management, support for interface maintenance, and cost reductions for new interfaces. TI believes SAP XI will free-up technical resources, shift the modification, and change workload from technical resources to business analysts, as well as reduce custom coding in the TI systems architecture.

The company sees major strategic benefits as well. SAP XI will improve TI’s flexibility and agility, allowing it to respond more quickly to business-process change. As companies engage in collaborative business, they need to integrate their own heterogeneous IT landscapes and extend this integration to business partners, customers, and suppliers. This creates the open platforms that enable vital Web services and applications to cross-functional, technical, and organizational boundaries.

SAP XI’s exchange-based process integration eliminates the problems of direct connections by extracting shared knowledge. Instead of directly coding point-to-point interfaces for each new component, SAP Exchange Infrastructure allows instant plug-in of new components. This reduces integration costs compared to the direct connection approach and provides flexibility for today’s fast-changing business world.

SAP XI is part of mySAP™ Technology, a native Web service-based infrastructure built on open standards for reliable e-business solutions that includes mySAP™ Enterprise Portal, SAP® Business Information Warehouse, SAP® Web Application Server, SAP Exchange Infrastructure itself, and infrastructure services like security and IT landscape management.

mySAP Technology powers cross-boundary enterprise applications and collaborative business processes based on one common infrastructure for integration within and beyond company boundaries. It features syndicated Web services to integrate people, processes, and information based on shared collaboration knowledge. SAP XI builds on industry-standard technology – including Web services, XML messaging, and Java/J2EE standards – to ensure the flexibility of these business solutions.

RIGHT SOLUTION BRINGS FAST RESULTS

SAP Exchange Infrastructure was the clear choice for TI's need.

"The ability of SAP Exchange Infrastructure to support mission-critical business processes, while at the same time reduce integration and maintenance costs, was key in our decision-making process," says Dan Murphree, vice president of business applications. "Job well done by SAP development."

TI expects to see results fast.

"We moved our first SAP application interface onto the XI architecture in mid-August of 2002," Murphree says. "The project was initiated in January of that year, code received in late May, and configuration completed in July. The robustness of the engine, quality of the architecture, and ease of use exceeded our expectations and allowed a faster than expected initial deployment."

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TI implemented SAP XI in a phased approach. Phase I involved testing the SAP XI architecture, scalability, and robustness through a representative interface, concentrating on 40 primary technical features that included synchronous and asynchronous interfaces, performance, and volume testing. In future phases,

TI expects to further reduce the cost of customized interfaces, code, bolt-on products, and testing by porting many of their existing interfaces to SAP XI. SAP XI will also enable a central repository for future development activities – all application interfaces can go through SAP XI to reduce complexity and provide the building blocks for change management.

In this new scenario, information will be visible to all, as opposed to today's environment where multiple application support teams may be unaware of what each other is working on. This will lead to improvements in cycle time and productivity and enable the TI team to meet windows of business opportunity.

STRENGTHENING BUSINESS-PARTNER COMMUNICATION

SAP XI will also enable an environment for plug-and-play and provide more standard content layouts for communicating with business partners. This will make it easier for these partners to do business with TI. When technical issues arise, SAP Exchange Infrastructure rapidly resolves them.

"We were especially impressed with the recoverability feature within SAP XI," says Loren Shellabarger, SAP XI project manager. "When we switched over to the production environment and began processing our initial invoice run, the file adapter lost its connection to the engine half way through the production run. We were concerned with how SAP XI would function once the connection was reinstated, and wondered how we would remove duplicate entries if the file adapter reprocessed the first half of the production run. As it turned out, the SAP XI inbound adapter and engine worked exactly as designed and picked up where the processing stopped when the connection was lost."

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Adds Ian Clark, senior technical staff member, “SAP built in recovery from the beginning; it was not an afterthought.”

IT AGILITY SUPPORTS BUSINESS CHANGE

TI and SAP worked closely together and developed a strategic partnership during the implementation. SAP development was responsive to TI's requirements and the joint team built a high degree of rapport. As a result, Texas Instruments looks forward to continuing to add value with further rollouts of the off-the-shelf architecture.

“We didn't have to write a single line of custom code for the out-of-the-box SAP XI solution,” Clark says. “The business content routing rules contained in a central repository – instead of hard-

coded interfaces – provides for much more agility when business changes and IT has to respond with solutions to support those changes. This shrinks IT cycle times, enabling TI to reduce time-to-market.”

That speed and flexibility provided the strategic core of the business case – saving money drove the metrics.

“Phase I has certified that our incremental upgrade approach for SAP® R/3® is realistic. Decoupled interfaces, less support resources, and reduced cycle times will lead to reduce overall costs to Texas Instruments,” Dean says. “We have validated SAP XI as a key tool to meet the incremental upgrade challenges for mitigating risk of change and disruption to business operations.”