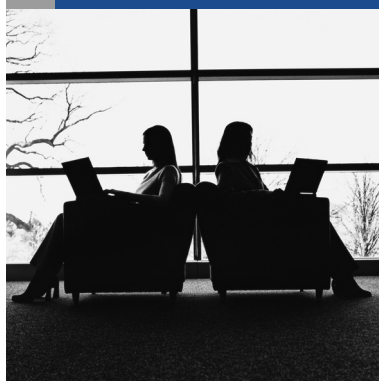


SAP Customer Success Story

“It’s just excellent. SAP NetWeaver allowed us to make all the upgrades we needed from the start. It provided the underlying architecture to bring it all together.”

George Albinson, Chief Information Officer, U.S. Army ARDEC, Picatinny



AT A GLANCE

Company Name

U.S. Army ARDEC,
Picatinny, United States
www.pica.army.mil

Industry

Defense

Key Challenges

- Improve organization-wide operations
- Transform legacy business processes and integrate complex operations across government and industry stakeholders
- Consolidate disparate legacy solutions, improve visibility, eliminate traditional operational silos, and enhance ability to interact and share information across the defense community

Implementation Partners

- SAP® Consulting, part of SAP Customer Services Network
- Business Plus Corporation
- Government Systems Technology Inc.

Solution and Services

- SAP NetWeaver™ including SAP Enterprise Portal, SAP Exchange Infrastructure, and SAP Business Intelligence
- mySAP™ Customer Relationship Management
- mySAP Supplier Relationship Management

Existing Environment

- SAP R/3® for financials and HR (available today in the mySAP ERP solution)
- mySAP Supply Chain Management

Implementation Highlights

- Continuous improvement through portal technology combined with short duration go-live
- Consolidated multiple interfaces between systems into a single sign-on

Key Benefits

- Eliminated duplicate sources of information
- Reduced costs to prepare bids
- Made work processes more efficient

Hardware

- Sun V210s, Enterprise V1280s and V880s
- HP ProLiant ML570G2
- Dell PowerEdge 6300
- Hitachi SAN 9980V, 9970V

Operating System

- Microsoft Windows 2000 Server, 2000 Advanced Server
- Solaris 8

PICATINNY

SAP NetWeaver™ PLATFORM AND SAP® SOLUTIONS TRANSFORM IT INFRASTRUCTURE OF KEY U.S. ARMY ORGANIZATION

In 1999, the U.S. Army ARDEC (Armament Research, Development, and Engineering Center) at Picatinny, New Jersey launched a strategic initiative. The aim was to reshape the organization’s business operations to deliver enhanced visibility and efficiencies across the organization’s advance weapons systems research, development, engineering, and manufacturing operations.

Last year, ARDEC performed US\$550 million in research and engineering services. Picatinny has 3,300 employees and another 1,000 contracted workers on-site. Its customers include all Department of Defense agencies and military service branches, as well as NATO and NATO countries.

Seeking to modernize and transform nearly every operational area at the center, they selected SAP to provide an integrated business platform to help them optimize everything from personnel and asset management to weapons life cycle and customer management.

Challenge: Integrate, Extend Enterprise

How do you bring together several large organizations performing different but interrelated operations? This was the challenge that ARDEC faced. “The solutions presented by SAP seemed ideal for what we wanted to accomplish,” says George Albinson, CIO at the center. “We required an integrated software solution that would allow us to eliminate costly legacy applications and provide total access across the organization.



“With an integrated system and technology platform across the organization provided by SAP,” adds Albinson, “we are able to respond quickly to changing product requirements, achieve greater visibility across the Army’s acquisition and logistics supply chain, and better manage our human, property, and financial assets.

“Our senior management developed a three-stage plan to modernize our systems, and as we completed the first step, SAP not only accomplished what we wanted to do, but it had the solutions we needed for the second and third steps,” says Albinson. “It was an easy choice to partner with them.”

Revitalizing IT Infrastructure with SAP

“We were in the same position as many large organizations,” says Albinson. “We had aging legacy applications, and they were built on different platforms, using different technologies. We had invested millions in developing the platforms, which were costly to maintain, and we were losing the skills and expertise of the people who wrote them because they were retiring. We had very good systems, but there was no integration. We realized we had to do something to revitalize our infrastructure and the systems we use to support our business.”

Previously, the U.S. Congress funded the center directly, as it developed weapons systems or conducted research that defense agencies would request. Now, the center must obtain funding from defense agencies and private contractors by being the provider of choice from among other R & D centers. Picatinny realized it needed new systems to keep important information about current and potential customers up-to-date. It chose SAP to provide the solutions needed.

Ardec Leading the Way with SAP® Solutions

In 1999, Picatinny became the first Department of Defense agency to purchase SAP® solutions and had its first go-live in early 2000. The center was the first to go live with the SAP industry solution for the public sector and the SAP general ledger solution. Most recently, Picatinny went live with mySAP™ Customer Relationship Management (mySAP CRM) to consolidate the center’s processes for business development and customer management.

“Customer relationship management helps us deal with our customers much more efficiently – we know what their needs are, what bids we have done in the past, what potential work

“We had different applications managing our processes, and now we’re doing it with one. Our processes have become much more efficient.”

George Albinson, Chief Information Officer,
U.S. Army ARDEC at Picatinny

they might need in the future,” says Albinson. “We’ve seen some real improvements in support to our customers since we’ve adopted CRM.”

Picatinny’s senior management wanted to both upgrade its systems and reorient itself to become a customer-driven organization. First, it wanted to enhance the productivity and performance of the administrative operations that support weapons development. Second, it wanted to keep better track of its total life-cycle costs and customer base. Third, it wanted to find a system that would provide total access and visibility across the entire enterprise.

“We also required an integrated software solution that would allow us to eliminate costly legacy applications, and provide total access across the system,” says Albinson. Today, the center uses SAP solutions throughout its organization.

Integration Saves Time and Money

Picatinny had business units that would deal with customers independently; databases listed the same customers differently and redundantly. “The units were competing with each other for business instead of creating new revenues,” says Albinson. Now the units work in an integrated manner because of SAP solutions such as mySAP CRM and mySAP Product Lifecycle Management (mySAP PLM).

Using SAP has helped Picatinny reduce costs and maximize resources by providing critical information about its customers’ current and future needs. mySAP CRM enabled the center to seamlessly create bids for updating and designing systems. “We’ve had major improvements in that area,” says Albinson. Other SAP solutions such as mySAP Supplier Relationship Management (mySAP SRM) have produced savings in both costs and time in the flow of retail acquisition.

A Single Source for Critical Data

SAP solutions created a single source for critical data. Using the SAP NetWeaver™ integration and application platform enabled Picatinny to create a single, updated database of critical information from several sources in different systems throughout Picatinny.

“With solutions such as SAP NetWeaver we can now rely on having the latest information. We can even develop future project plans based on the information SAP solutions provide,” says Albinson. “We had different applications managing our processes, and now we’re doing it with one. Our processes have become much more efficient.”

Turning Competition into Collaboration

The center has a variety of research and development facilities, each with its own parent business unit that had its own procedures for dealing with customers. “The problem was, there was no commonality with how we dealt with customers,” says Albinson. “What were the dollars we were getting, what was the work that each unit was doing? It was hard to aggregate that in-

formation. Everybody had their own process of collecting information. Sometimes the same customer would be listed twice, in different units. The business units would be competing against each other for the same customer base, instead of developing new revenues.”

“Our leadership made the decision to evaluate organizational structure, and decided that all business units and customer management processes would be put into one organization. Now, we present a single voice to our customers. When customers come to us with a job proposal, we put together a plan that is all-encompassing. Because we now have only one organization doing that, it’s easier to do the bid solicitation process. When it’s approved, we can create a project and get a budget for it,” says Albinson.

He adds that the center had received “tons of help” from SAP Consulting, making the transition to the new systems as seamless as possible. “They [SAP Consulting] were there when we needed them,” says Albinson. “When you undertake a project as vast as this one, it is good to know the SAP team is readily available.”

Users Like the Ease and Efficiency

To evaluate a customer’s needs, the center uses elements of SAP NetWeaver, such as SAP Business Intelligence and SAP Enterprise Portal. “It’s just excellent,” says Albinson. “SAP NetWeaver allowed us to make all the upgrades we needed from the start. It provided the underlying architecture to bring it all together.

“In addition to those improvements, we’re also making ourselves more competitive,” says Albinson. “People are e-mailing and telling us that the process is much more efficient and much easier.”

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