

SAP Customer Success Story

“SAP NetWeaver has enabled us to master the increasing demand for integration of our IT systems and for transparency of enterprise processes, which have emerged as a result of globalization.”

Christian Gührs, IT Manager, OSRAM GmbH



AT A GLANCE

Company Name

OSRAM GmbH
Germany
www.osram.com

Industry

High Tech

Key Challenges

Integrate IT at international locations to provide enterprise-wide visibility of data and processes

Implementation Partners

- SAP® Consulting, part of SAP Customer Services Network
- SPV GmbH

Solution and Services

SAP NetWeaver™ platform, which includes SAP Exchange Infrastructure, SAP Business Intelligence, and SAP Web Application Server components

Existing Environment

- SAP R/3® software, which is available today in the mySAP™ ERP solution
- mySAP Customer Relationship Management
- mySAP Product Lifecycle Management

Implementation Highlights

- SAP Ramp-Up, a part of SAP Customer Services Network, used for SAP Exchange Infrastructure
- Europe-wide integration scenario realized; currently adapting scenario for Asia
- Infrastructure set up for additional integration projects

Key Benefits

- Harmonized processes reduce total cost of ownership
- More accurate data improves operations and reduces costs
- Growth areas more visible with improved transparency across locations
- Infrastructure in place for future projects

Hardware

Fujitsu Siemens PW1500
(PrimePower)

Operating System

Solaris 8

OSRAM GmbH

SAP NetWeaver™ PLATFORM PROVIDES IT SOLUTIONS FOR A GLOBAL MARKET

As one of the world's two leading lighting manufacturers, OSRAM offers products in six divisions: General Lighting, Automotive Lighting, Ballasts and Luminaires, Opto Semiconductors, Display/Optic, and Precision Materials & Components. And when it needed solutions to support and integrate IT systems at new company locations, OSRAM chose SAP® software, including the SAP NetWeaver™ platform.

A GLOBAL OUTLOOK

OSRAM started as a manufacturer of classical light bulbs in 1919 and is now a high-tech company of the lighting industry. The product range includes halogen lamps, discharge lamps, and LEDs, supplying specific light solutions for the most diverse of applications, including intelligent light management systems.

Headquartered in Munich, OSRAM is truly a global concern, supplying customers in over 140 countries with products that are manufactured at 53 sites in 19 different countries. With a headcount of over 36,000, the group posted global revenues of €4.2 billion in 2004.



With the company committed to global presence, growth, and innovation, its IT department is faced with supporting the integration of new company locations and increasing the transparency of enterprise-wide processes. "System integration and the gradual harmonization of our business processes are two of the main challenges facing our IT department," says Christian Gührs, IT manager, OSRAM GmbH.

STANDARDIZING THE IT LANDSCAPE

OSRAM took a significant step toward standardizing its core processes by establishing three regional, but networked, system landscapes based on SAP software, including SAP R/3® software, the mySAP™ Customer Relationship Management and mySAP Product Lifecycle Management solutions, and third-party applications. SAP R/3 is available today in mySAP ERP.

OSRAM's requirements included providing headquarters and individual sales subsidiaries with an overview of finished and semifinished goods across all plants.

APPLICATION INTEGRATION IS SOLVED

Against this backdrop of requirements, OSRAM decided to implement the SAP NetWeaver platform, which satisfies current needs and is also future-oriented. With the SAP NetWeaver component SAP Exchange Infrastructure, the company can ensure that SAP and non-SAP software at different locations is connected by one platform. This means that important data for manufacturing and other purposes can be loaded into SAP software, and through the SAP NetWeaver component, SAP Business Intelligence, can be used for reporting and analysis.

Initially, OSRAM is realizing this integration scenario for its European operations. After deployment in Sweden and Finland, it was implemented in seven plants and two storage locations in Germany. With this scenario, OSRAM has been able to determine the exact status of individual production orders in these countries since April 2004. Stockholding systems also provide an overview, and production steps can be monitored, including output quantities and scrap. The next phases of the project will integrate facilities in France, Spain, and Portugal, with the countries in eastern Europe to follow later. The European integration scenario will also form a template for the rollout in Asia.

SHEDDING LIGHT ON ENTERPRISE PROCESSES

OSRAM was an early adopter of SAP Exchange Infrastructure, benefiting from SAP Ramp-Up, a part of SAP Customer Services Network. As the standardized process for introducing SAP products to the market, SAP Ramp-Up enables customers to be first movers in their industries. At the moment, 26 systems have been connected with this software, and by 2007, an additional 100 applications will be integrated by means of various adapters. SAP Consulting has worked on the project from the beginning. Says Gührs, "We rate the know-how of SAP Consulting very highly, particularly when it comes to the new SAP solutions."

"Information is more complete and accessed more quickly, and painstaking manual evaluation is no longer necessary."

Christian Gührs, IT Manager, OSRAM GmbH

Currently, around 300 people at OSRAM use SAP Business Intelligence and that figure is scheduled to grow to 1,000 in Europe and more than 2,200 worldwide by the end of 2006. The company plans to have a worldwide reporting system based on SAP Business Intelligence. It also plans to connect more countries to the relevant continental ERP system and standardize the definition of company figures.

JAVA-COMPATIBLE DEVELOPMENT ENVIRONMENT

Not only does SAP NetWeaver provide a robust runtime platform for applications, but it also offers a versatile development environment through SAP Web Application Server. “The Java-capable development environment of SAP Web Application Server has enabled us to quickly and simply create a user-friendly interface for product management,” says Gührs. “This has satisfied the high demands of our product managers in terms of ease of use for ongoing maintenance of product data.” This data is then used for catalogs, which are made available through customer relationship management software.

HIGHER QUALITY INFORMATION AT LOWER COST

For Gührs, the higher quality and reliability of information that OSRAM gets with SAP NetWeaver is a significant advantage. “Information is more complete and accessed more quickly, and painstaking manual evaluation is no longer necessary,” he says. Because SAP NetWeaver provides an effective solution to the integration challenge at OSRAM, it results in a much lower system-consolidation workload, as well as lower costs for system administration.

And by implementing SAP NetWeaver, which works with SAP and non-SAP software, OSRAM can protect its existing investments in both SAP software and other solutions. The platform philosophy has also enabled OSRAM to consolidate its IT knowledge: a single IT team is responsible for all SAP software knowledge, from SAP R/3 to SAP NetWeaver.

CONTINUING ALONG THE PATH TO SUCCESS

SAP NetWeaver provides OSRAM with the infrastructure it needs for further integration projects. In the next scheduled project, the company will optimize with SAP Exchange Infrastructure's interfaces for invoicing and shipping notifications, thus enabling more efficient communication among OSRAM profit centers, which supply and invoice each other. And OSRAM is also looking into a possible expansion of the SAP NetWeaver platform, with implementation of SAP Master Data Management.

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