**SAP® Consumer Products**

# apetito AG



To support company growth by deploying an integrated application solution, the Rheine, Germany-based apetito AG chose the R/3 on AS/400. Not only is apetito AG one of the first customers to implement the optimized PP-PI module, SAP's application component for the process industries, but also one of the first companies to benefit from SAP's Internet functionality.

## Company Profile

apetito provides meals for over 750,000 people in Germany every day. Founded by Karl Düsterberg in 1958, the company quickly became Germany's most successful and innovative supplier of frozen meal concepts and now offers its services to companies, nursing homes, clinics, hospitals, day-care centers, schools and „meals on wheels" organizations. Its state-of-the-art catering programs are designed to meet each customer's individual needs, ranging from internal catering solutions to comprehensive catering services (handled by apetito catering GmbH). In 1995/96, apetito AG and apetito catering GmbH's 3,100 employees in England, France and the Netherlands posted sales of DM 378 million. The group's stocks are all family-owned and are not traded on the stock market.

## System Requirements

apetito AG's main objective was to consolidate existing functionality, make it possible to easily and quickly integrate new strategic components in future, and support company growth by deploying an integrated application solution that would optimally handle the following business processes:

- Preparing 550,000 meals daily

- Processing 1,000 sales orders daily

- Processing 450 production orders daily (maximum of 7 BOM levels)

- Managing 10,000 customers

- Managing 1,300 salable products

- Managing 7,500 materials in 3 warehouses

- Managing 1,000 routes and 80 refrigerated trucks

**R/3® on AS/400**

**apetito**

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## R/3 on AS/400 as a Standard Solution

After carefully looking at their options and carrying out a logistics study, apetito AG chose SAP's R/3 application suite as its future-oriented IT architecture. The R/3 System's ability to quickly adapt to organizational changes in the apetito group was also instrumental to the decision. „Our increasing concentration on the European market requires our Dutch, French, and English subsidiaries to be integrated in the existing company structure," explains Dan N. Gheorghiu, apetito AG's IT executive. „We also expect the R/3 System and the new IT infrastructure to improve control and communication across the group." apetito also plans to tap the Internet functionality of R/3 Release 3.1 in the near future to improve, and even automate, processes between the people eating the meals, apetito customers (associations), apetito itself, and its vendors.

*„Although we have considerably enhanced the R/3 System, we have maintained the system's backwards compatibility by integrating enhancements and existing systems in the R/3 System using defined interfaces. This strategy will enable apetito to benefit from packaged and custom software well into the future"*

apetito AG had been using a typical configuration with custom software programs running mainly on the AS/400 operating system since the late 1980s. A big advantage for apetito was that its integrated system and R/3 run on the same platform (AS/400). apetito was therefore able to continue using its entire computer center and infrastructure and call on its extensive internal expertise. For this reason, the IBM AS/400 mid-range system is being used instead of the originally planned UNIX hardware. The complete system went live in May 1997. With system and procedures optimization complete, the system is now running with excellent response times for all users.

## Project R/3 on AS/400

The first phase of the project involved implementing the financials modules FI, AM, and CO, and was completed by October 1995 to coincide with the start of apetito AG's financial year. The SAP modules were linked to the legacy systems in production and logistics via interfaces so that materials management and order processing could be carried out on existing systems. This configuration also ensured that the R/3 System was supplied with all relevant information on a daily basis. The second phase of the project involved implementing the logistics modules SD, MM and PP-PI, which went live in the second quarter of 1997. The QM module and enhanced PP-PI functionality will be implemented during the third project phase when apetito also plans to implement SAP's workflow concept and Internet functionality for cross-company communication.

*„The R/3 System is easier to manage on AS/400. Although we have made radical changes to our IT system, we can continue to use our existing infrastructure and expertise, thereby ensuring a high degree of investment protection."*

## Competitive Advantages

By implementing R/3 on AS/400, apetito AG has achieved the following benefits:
● Improved delivery times, warehouse capacity, and customer focus
● Extensive PP-PI functionality
● Integration of R/3 standards, custom developments (ABAP/4), and apetito systems on one platform
● Release independence
● Improved performance
● Improved price/performance ratio
● Ability to continue using its legacy computer-center
● High investment security (e.g. ability to continue using the computer center and existing expertise)

## apetito AG's R/3 System

● R/3 modules: FI, CO, AM, SD, MM, WM, PP-PI
● Hardware: AS/400 AS (53 S)
● Database: DB2/400
● Users: 230

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