



Melitta Kaffee brews successful SAP R/3 implementation with IBM® DB2® on RS/6000® servers. The concept of a perfect blend has filtered down to Melitta's information technology team as well, as it completes the implementation of an enterprisewide SAP R/3 system.

# SAP® Consumer Products

# Melitta Kaffee GmbH



# **Corporate Profile**

To guarantee its customers' satisfaction, Melitta Kaffee carefully sifts out the best coffee beans and roasts them to perfection. In addition to its world-renowned coffee, the Melitta Group, head-quartered in Minden, Germany, also manufactures household goods, paper products and a line of coffee makers. It has come a long way since the family-owned Melitta company (with total revenues of several billion Deutschmarks) was founded in 1908.

## SAP R/3 on IBM DB2 implementation

Consolidating its operations under SAP R/3 was the first step in integrating the disparate data processing systems of this DM738 million (1997) division of the Melitta Group.

To ensure the success of its SAP implementation, Melitta Kaffee also took a unified approach to its hardware and database systems. It selected IBM DB2 as the underlying database for its R/3 applications and support from IBM Global Services to ensure a concerted end-to-end implementation.

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Manfred Gerken, Chief Information Officer, Melitta Kaffee

According to Manfred Gerken, chief information officer at Melitta Kaffee, managing the information technology infrastructure at Melitta was, until a few years ago, a mammoth task. The multiplicity of platforms, both software and hardware, was soaking up IT administration resources, and the costs of maintaining disparate systems were steadily rising. At the same time, because of incompatibility between systems, they were unable to accommodate the diverse needs of their business users and customers, at least not without spending considerable time and resources. For instance, Gerken explains, if customers desired a change in their order or how the products were delivered to them, the changes would have to be incorporated in three disparate systems.



Melitta found the solution to its problems in SAP R/3, which it implemented on an IBM DB2 for AIX® platform.

"The combination of R/3 and DB2 gives us the ability to migrate from a heterogeneous environment to one that is homogeneous and flexible. This is an enormous advantage, because a single system is easier to manage and allows easier alterations"

R/3 was the natural choice for Melitta Kaffee, since the company had already implemented R/2 for its sales and distribution department in 1989. Melitta Kaffee was the first company in the Melitta Group to implement R/3, beginning in 1995 with financial, asset management, and cost control modules. Later, sales, materials management, billing, distribution logistics, and human resources modules were added. Under the human resource module, all employees have been given transponders (key rings) for electronic time tracking to keep track of their activities, and this is helping Melitta achieve greater efficiency in time management. The final stage will include warehouse management, and other functions within the human resources module.

Melitta Kaffee took advantage of the IBM/SAP Alliance, relying on IBM Global Services for both the technological infrastructure — databases, hardware, and middleware — for its SAP applications, and for centralized project support during the three-year SAP implementation. "They assisted us in performance evaluation, capacity planning, and project management, which was very useful for us in implementing our SAP system," Gerken says. In the early phases of the project, Melitta also received assistance from the IBM/SAP International Competence Center in Walldorf, Germany. Explains Gerken: "The experts at the Compe-

tence Center were our troubleshooters, making sure that everything worked as it was meant to. IBM was very flexible with its consulting and support. They provided us a complete solution."

#### IBM DB2 - the database of choice

Melitta Kaffee selected IBM DB2 for its performance, ease of use, cost-effectiveness, and reliability. "DB2 performed better than other databases. It is fast and powerful, and Oracle could not improve upon DB2's performance," Gerken says, adding, "It is a very effective platform for an R/3 environment." Gerken explains that with other databases, even routine tasks like backups would have been more complicated. As for DB2's reliability, Melitta hasn't had much opportunity to test fault tolerance in production, since, as Gerken remarks, "We've been using DB2 on RS/6000 servers since the end of 1995. During this time, DB2 has ensured almost 100 percent availability, which is really amazing." That's good to know, since Melitta Kaffee operates in a 16-hour shift to produce 250 tons of coffee daily. As Gerken notes, a failure in the R/3 system would mean an immediate loss in sales.

With IBM DB2, Melitta was also able to minimize the cost of ownership for its SAP implementation. "DB2 yielded a better price/performance ratio than any other product," Gerken says. Even the continuing costs of database administration have been reduced significantly, as DB2 requires fewer resources for maintenance. "Today, we have only one database administrator for DB2," Gerken notes. "He spends, on average, just 10 percent of his time on database monitoring. That's less than an hour daily." Moving to a client/server environment also brought other unexpected benefits. Gerken reports that while the uninterrupted power supply (UPS) earlier lasted only a half hour for the host/mainframe environment, in a client/server environment it was able to bridge power outages for over two hours, and thus save power costs.

Gerken points out another reason Melitta Kaffee selected IBM DB2 over other databases on the AIX platform: "At that time, with IBM DB2 we got a full license, while with Oracle we would still have had to pay for specific functionalities. This "one stop shopping" took care of 80 percent of the initial pangs of implementation. Approximately 60 SAP R/3 users access Melitta's DB2 databases, which reside on a RS/6000 Model J40 six-way symmetrical multiprocessing (SMP) server. The J30 server cooperates with an RS/6000 Model 380, which is used as a test system. High-Availability Cluster Multiprocessing (HACMP) software provides load sharing to maintain database availability in the event of a problem with the J40 production server. Other IBM technology supporting Melitta's SAP environment includes an RS/6000 C20 server for employee time card tracking and ADSTAR® Distributed Storage Management for AIX for automatic data backup and archival.

### **IBM / SAP COMPETENCE CENTER**

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