

Solinst delivers on its promise to customers with SAP and IBM

Overview

The challenge

The lack of integration between Solinst's IT systems made it difficult to gain a clear view of inventory as well as caused problems with data integrity. With the company continuing on a double-digit annual growth path, it was clear that the existing systems for managing finance and logistics could scale no further. Solinst needed an integrated solution that would enable it to access consistent, real-time information across all activities and provide accurate and timely information to partners in the extended supply chain.

The solution

Working with IBM Global Business Services and SAP France, Solinst implemented the SAP Business All-in-One solution on the IBM Power Systems™ platform with an IBM DB2® database. IBM Global Business Services provided an end-to-end solution encompassing design, architecture, sizing, configuration, data migration, rollout and training for the SAP software, helping Solinst to achieve rapid deployment despite limited internal IT resources.

The benefits

Solinst gained coherent integration of business processes across different functional areas; an estimated 300 percent improvement in data quality, enabling improved client service; real-time information on inventory and deliveries available both internally and to supply chain partners via an extranet; immediate visibility of stock shortages; improved budgetary planning; the elimination of repetitive, low-value administrative tasks; and a reliable, robust, highly scalable solution capable of supporting rapid business growth.



“IBM Global Business Services was committed to the success of the project and took full responsibility for the end-to-end delivery. The focus of the IBM consultants was always on our satisfaction, helping us to achieve an optimal outcome.”

—Christian Meyer
CIO, Solinest

Key solution components

- Industry: Wholesale distribution
- Applications: SAP Business All-in-One, SAP NetWeaver Business Intelligence
- Hardware: IBM Power Systems servers
- Software: IBM i, IBM DB2 software
- Services: IBM Global Business Services

Solinest is one of the leading players in the French and Belgian market segments for candy, groceries and chocolate. As the exclusive distributor in these territories for brands such as Ricola, Mentos, Werther’s Original, Chupa Chups and Tetley, Solinest employs 450 people and manages more than 20,000 square meters of warehouse space. This family-owned business is responsible for marketing the brands it distributes and for the upstream procurement and downstream delivery of goods to large distribution centers owned by major retailers such as Auchan and Carrefour.

With six separate legacy systems, each covering distinct functional areas, Solinest had difficulty gaining a clear, consolidated view of its business activities, inventory and finances. The company had created interfaces between these systems, but these were unreliable and difficult to maintain. Small inconsistencies tended to become amplified through the logistics chain, and it was impossible to directly link orders with deliveries.

“Solinest is going from strength to strength—in recent years, we have expanded our warehouse space from 5,000 square meters to more than 20,000 square meters, and our annual percentage growth rate remains in double digits,” comments Christian Meyer, CIO of Solinest. “As a distribution company, any growth in sales means a corresponding growth in business activity, and the strain was too great for our existing systems landscape. We needed an integrated solution as we also wanted to introduce production management and MRP-type tools for calculating demand.”

Finding a robust solution

As its information systems could no longer cope with increasing demands from the business for speed of response and quality of service, Solinest put together a shortlist of packaged enterprise resource planning (ERP) solutions. One of the key factors in the decision would be the longevity of the chosen solution. Solinest wanted software that would support its growth for years to come and that could grow to encompass possible future expansion into new market segments. Equally, the solution needed to be robust so as to ensure the integrity of business-critical data, and it needed to offer functional coverage of all elements of Solinest’s business in a single, integrated package.

“With SAP Business All-in-One running on the robust IBM Power Systems platform, we are confident that we can continue to grow our business rapidly.”

—Christian Meyer
CIO, Solinest

Says Christian Meyer, “We were familiar with SAP software, since many of our supply chain partners were already using it. We ran a study and concluded that there was an excellent fit between our business requirements and the solutions offered by SAP.”

As a midsize business in a highly competitive sector, Solinest runs a lean organization and has relatively limited in-house IT resources. To ensure that its new SAP environment would deliver the expected business benefits, the company therefore needed to find a reliable implementation partner.

“IBM was uniquely able to offer an end-to-end solution for our new SAP landscape, from the hardware through the operating system, database, installation and implementation services, to maintenance and servicing,” says Christian Meyer. “Experience was also an important factor in our decision: IBM Global Business Services has implemented SAP software in companies of every size, so we were confident that there would be no unexpected issues. The IBM consultants who worked on our project had an excellent understanding not only of the SAP solutions but also of our business sector.”

End-to-end delivery from IBM

IBM Global Business Services supported Solinest throughout the implementation of its SAP software and beyond, with services covering architecture, sizing, configuration, interface creation, data migration, rollout and training for IT staff and users alike. Solinest chose an SAP Business All-in-One packaged solution, which the IBM team then adapted and configured to its specific requirements.

“A major benefit of working with IBM was the ability to get everything from a single partner,” says Christian Meyer. “There was a single named contact responsible for making all the elements of the solution work together, on time, within budget. IBM Global Business Services was committed to the success of the project and took full responsibility for the end-to-end delivery. The focus of the IBM consultants was always on our satisfaction, helping us to achieve an optimal outcome.”

Solinest opted to implement its SAP Business All-in-One solution on the IBM Power Systems platform, running the IBM i operating system with its integrated IBM DB2 database.

“I knew that IBM i would offer the robustness and stability we needed for our SAP environment—it’s a tremendously stable platform,” says Christian Meyer. “Both i and IBM DB2 were new for Solinest—we were previously using the Oracle database. One of the great advantages of DB2 on i is that the operating system essentially manages the database itself, so there is much less effort required from the IT support team to keep it running optimally.”

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Coherent flow of business processes

With its SAP Business All-in-One solution in place, Solinest has seen important gains in the efficiency of its business processes and the transparency of its financial and management information. Whereas the flow of goods and information through the logistics chain was previously fragmented across six different systems, SAP Business All-in-One provides an integrated platform for all business processes. In addition to eliminating a number of manual processing tasks, this is helping Solinest to build synergy across different parts of its business. Equally, the complete and coherent integration of business process flows gives the company an accurate view of its business activity in real time.

“Thanks to the integration of the SAP solution, every movement of goods or other business activity feeds into every module and view, so there are no longer any leaks or discrepancies between functional areas,” says Christian Meyer. “Accurate information is available in real time in multiple different functional views, saving administrative work and enabling us to track customer orders all the way back to the original supplier.”

Improving customer service

The SAP solution matches orders to deliveries in the warehouse and enables Solinest employees to see accurate inventory levels in real time—a crucial factor in being able to meet obligations to customers further along the logistics chain.

“The management of stock shortages used to be detected very late in the process, whereas it is now reported immediately to the team in charge of customer service,” says Christian Meyer. “As soon as a customer order is entered in the SAP solution, we can immediately see if there is sufficient stock and communicate that information to the customer. In this way, the SAP solution has enabled us to be proactive where we could only be reactive before, making us a more reliable supply chain partner.”

By providing accurate and detailed inventory information in real time, the SAP solution is helping Solinest to reduce the volume of stock it holds, freeing up capital and delivering higher revenues per square meter of warehouse space. The company is working with its supply chain partners to further optimize stock management with the aim of minimizing inventory as far as possible.

Comprehensive, integrated solution

The SAP Warehouse Management solution provides details on stock volumes and their precise location in the warehouse and transmits picking and packing instructions to handheld terminals for fast and efficient order fulfillment. The SAP solution at Solinest also delivers

information directly to supply chain partners and clients: the SAP NetWeaver Business Intelligence component provides detailed sales dashboards with drill-down capabilities to partners via an extranet.

“The integrated SAP Business All-in-One solution has enabled us to optimize every stage of our supply chain. It also delivers reliable, qualified data in real time—both internally and to external partners,” says Christian Meyer. “The solution enables us to respond very rapidly as an organization, increasing our competitive edge and improving client relations while significantly reducing costs. We have not yet quantified our return on investment, but we are certainly seeing significant qualitative improvements. In particular, we have made enormous progress in terms of data integrity and quality. Our core system has the same base as most worldwide large companies.”

In addition to providing greater integration across existing processes and functional areas, the SAP solution is giving Solinest an extensive range of new functionality. One example is the Trade Promotion Management module, which the company is using to plan, execute and monitor its promotions. As Solinest spends around 10 percent of its turnover on promotional activities, the added visibility and control is expected to deliver significant financial benefits.

Looking to the future

By working with IBM Global Business Services to implement SAP Business All-in-One, Solinest has gained a robust ERP solution that can expand and adapt as the company grows. In addition to providing improved data integrity and a joined-up view of business processes spanning the entire enterprise, the IBM and SAP solution makes it easier for Solinest to share data with partners and customers.

“Working with IBM ensured that we were able to configure the SAP software to match our business requirements: it was important to have consultants who understood our corporate philosophy and were able to work very closely with us,” says Christian Meyer. “The SAP solution has already made a big difference to our business, and there is clearly much more to come from the software. With SAP Business All-in-One running on the robust IBM Power Systems platform, we are confident that we can continue to grow our business rapidly.”

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