

# Case study

## Managed SAP BW for LANXESS

»We were convinced that Fujitsu completely understood our needs and what we wanted. The BW platform has been running flawlessly. Our users are very happy.«

Heiner Hömberg, Head of Reporting Systems, LANXESS



### LANXESS

LANXESS is a leading producer of specialty chemicals. Nearly 15,500 employees in 30 different countries working at 46 production facilities assure that the company is present in every major market throughout the world. LANXESS is listed on the Frankfurt Stock Exchange and posted sales of 7.1 billion euros in 2010. Its core business is the development, manufacture and sale of plastics, rubber, specialty chemicals and semi-finished products.

### A New Direction for IT

The reporting systems department reexamined how it was operating its SAP NetWeaver Business Warehouse (abbreviated SAP BW) system as part of a strategic reorientation of LANXESS IT. Several factors motivated the change and led to the engagement of a new service provider. LANXESS wanted to run its SAP BW systems with more flexibility, innovative technologies, and lower operating costs – without sacrificing service quality. Expectations also ran high in the line departments. Here, the demand was for better performance and around-the-clock availability.

### Managed SAP NetWeaver Business Warehouse

Fujitsu's approach was to develop up-to-date, innovative technology to create a scalable SAP BW platform. Fujitsu also furnished and installed the necessary hardware. SAP NetWeaver Business Warehouse runs as a managed system. Servers, storage and backup platforms with sensitive company data remain in LANXESS's own computing centers.

Fujitsu operates the server infrastructure and provides storage and backup as needed. Fujitsu subsidiary TDS furnishes the basic SAP BW operation. The new platform means that LANXESS is ideally equipped to adopt new technologies. Fujitsu designed the hardware infrastructure so that it can serve as the basis for additional cloud services in the future.

### The Customer

Country: worldwide (production and sales)  
Industry: specialty chemicals  
Established: 2005  
Sales 2010: 7.1 billion EUR  
Web site: [www.lanxess.com](http://www.lanxess.com)



### The Challenge

Lanxess redirected its IT operations and sought a new service provider for its SAP BW system. On its wish list were technology that was fit for the future, greater flexibility and lower operating costs. Users were interested primarily in enhanced performance.

### The Solution

Fujitsu developed and implemented an expandable platform on which it operates SAP NetWeaver Business Warehouse as a managed service.



### **LANXESS - a Young Company with a Long History**

The history of LANXESS goes all the way back to 1863, the year in which Bayer was established. As part of its reorganization in 2005, the Bayer Group spun off most of its chemical business and about one third of its plastics business in the form of the newly established LANXESS. With its extensive portfolio, the spin-off focuses on premium products.

Its core business comprises the development, manufacture and sale of plastics, rubber, specialty chemicals and intermediates. In addition, it supports its customers in developing and implementing made-to-measure system solutions. In these areas, which are at the very heart of the chemical industry, LANXESS has core expertise in the form of

chemical and application-related know-how, flexible asset management and customer proximity. It aims to create added value for customers and for the business through innovative products, streamlined processes, and fresh ideas.

### **Ready for Continuous Improvements**

LANXESS: the name says it all. The name comes from combining a French word "lancer" – meaning to launch – with the English word "success". Together, the two words stand for the will to succeed and a readiness to renew constantly. The maxim runs like a thread throughout the entire company, touching upon every division – including IT.



»Fujitsu proved to be an expert and dependable partner in this project.«

Heiner Hömberg, Head of Reporting Systems, LANXESS

### Modern Numbers Storage: SAP NetWeaver Business Warehouse

Monthly consolidated financial statements, budgets, projections, forecasts, plus any number of reports – all the key figures of specialty chemicals maker LANXESS revolve around analyses by SAP NetWeaver Business Warehouse. This is where all the information that is needed for consolidation and planning, from subsidiaries spread across the world, comes together. Around 1,700 users in 24 countries have access to the system and they demand rapid response times and high availability of their SAP BW systems.

As part of its strategic redirection, LANXESS reassessed the work performed by its previous IT service provider. Management highlighted three aspects in its invitation to tender. Modern technology, lower operating costs and more flexibility formed the criteria for the adaptability of the platform, the services, and the service levels. Users also entertained great expectations: enhanced performance, quicker response times, and a highly available system.

### Trust Is Everything

Fujitsu was by no means an unknown quantity for LANXESS. Both companies have a long and successful track record of cooperation, both in service and in consulting projects. Moreover, Fujitsu assumed responsibility for the entire European storage infrastructure at LANXESS in 2010 under a managed storage agreement. The positive experience from the past provided a solid foundation for partnering with Fujitsu again for the SAP BW platform and operations.

### A Feeling of Security: Servers with Sensitive Data Stay on Site

LANXESS opted for managed services. Under this scenario, a service provider assumes responsibility for designing, furnishing, integrating and maintaining SAP BW. Fujitsu guarantees the operation of SAP BW, manages and maintains the SAP system base and databases. As part of the contract, the provider also assumes responsibility for backing up and recovering data after a system failure. And LANXESS can breathe easy: hardware with sensitive company data stays put in its data center. Fujitsu and TDS employees service the systems remotely. In case there is a problem, the staff is available around the clock, even outside the business hours of LANXESS headquarters in Germany. They speak whatever languages are necessary to assist within the scope of the service level.



# Interview with Heiner Hömberg Head of Reporting Systems, LANXESS



*How important is the SAP BW system for LANXESS?*

„The BW system represents the central reporting platform for the LANXESS Group all over the world. We also use it for consolidating and planning. The company considers it business critical.“

*How does LANXESS use the SAP BW system on a global basis?  
Can you give us one or two examples of typical queries?*

„The spectrum runs from detailed daily reporting to highly condensed reporting for top management. Most use revolves around reporting for the supply chain and for finance and accounting. We also use the system to determine the monthly consolidated financial statements, to do budgeting, and to make forecasts. SAP BW also serves as a major data hub in the company's global systems landscape.“

*How many users are there and in how many countries?*

„Currently approximately 1,700 users in all the different LANXESS subsidiaries and holdings worldwide have access to the system.“

*What is genuinely important for you when it comes to operating the SAP BW system?*

„That's easy: data quality, 24/7 system availability and performance.“

*Why do you think it was necessary to adopt a new approach to the SAP BW solution?*

„The previous solution was no longer up to date for three reasons: technology, service flexibility, and operating costs.“

*Can you describe your strategic objectives?*

„We wanted to standardize and modernize the server infrastructure with an eye to slashing our operating costs and making the system, the services, and the service level more adaptable to the constantly changing demands of our business.“

*Why did you opt for Fujitsu?*

„During the selection process, we were convinced that Fujitsu completely understood our needs and what we wanted. Their solution took our needs into account the best.“

*What specifically are the benefits of the 'managed' approach for LANXESS?*

„The system is located at the center of the global LANXESS network. As such, it has 'business critical' status. We were able to reduce significantly the imponderables and the risks that are associated with an external computing center such as the availability of sufficient bandwidth during high import and export volumes.

We don't need to devote any LANXESS personnel to run the system professionally. The system that was set up for the SAP BW system, moreover, creates potential for synergy in that it is expandable and we can use it for hosting other systems. And you really can't overstate the feeling of security that the systems with sensitive company data stay on our facilities.“





*What enhancements do you expect from the new systems and the managed services?*

„For one thing, we are already seeing more efficient business processes due to greater flexibility and better performance, which has led in turn to greater acceptance among users. For another, we are doing our part to lower IT costs.“

*How about the initial user reactions? Are the users happy with the way the project has turned out?*

„The project ran absolutely according to plan. Any challenges that popped up in the course of the project were quickly settled thanks to the expertise of the people from Fujitsu. The feedback from users has been entirely positive. The median response times have diminished significantly; they are now one third of what they used to be under the old system. As a result, user satisfaction with the BW system has risen significantly.

We have also been able to shorten time-critical loading processes to a third of what they used to be. As a result, data availability has improved considerably.“

*What is your assessment of the collaboration with Fujitsu?*

„Working with Fujitsu was very constructive and gratifying throughout the entire project, from the initial contact through the project itself to the operating phase today. Fujitsu also proved to be an expert and dependable partner in this project.“



Heiner Hömberg, Head of Reporting Systems, LANXESS

»The feedback from users has been entirely positive.«





#### THE PROJECT AT A GLANCE

##### Hardware Platforms

- 2 x PRIMERGY BX900 Blade Chassis
- PRIMERGY BX924 S2 Blade Technology
- 2 x ETERNUS DX410 Storage Systems
- Scalar i500 Tape Library

##### Software

- SUSE Linux Enterprise Server
- SAP BW 3.5 + SAP SEM 4.0
- Oracle 10.2

#### Just Two Months to Get Started

Fujitsu got the nod in August 2010 and the green light for the five-year project was given in October. Fujitsu experts installed the server and storage platforms in two computing centers at the LANXESS facilities in Leverkusen, Germany, guaranteeing high availability of the SAP BW system. Should one computing center not be available, the other center will assume operation of the SAP BW system. Once the databases were migrated from the old platform to the new system and testing was concluded, it was time for the moment of truth: the new platform went live on December 6, 2010.

### Greatly Accelerated Business Processes

Depending on the extent and the type, a query can take anywhere from a few seconds to several hours in SAP BW – a real test of patience under some circumstances. With the new solution, everything goes a lot faster. Users at LANXESS all over the world – whether in the USA, Brazil, Australia, China or at headquarters in Leverkusen – now benefit from response times that are only one-third compared to before on the average. Often a time-critical procedure, data loading now proceeds three times as quickly as before. Users around the globe enjoy enhanced performance as attested to by their unanimously positive feedback. They now benefit from shorter response times even during peak periods such as month-end or annual accounting periods when the system is particularly in demand.

### Ready for the Cloud – The Infrastructure also Supports Cloud Services

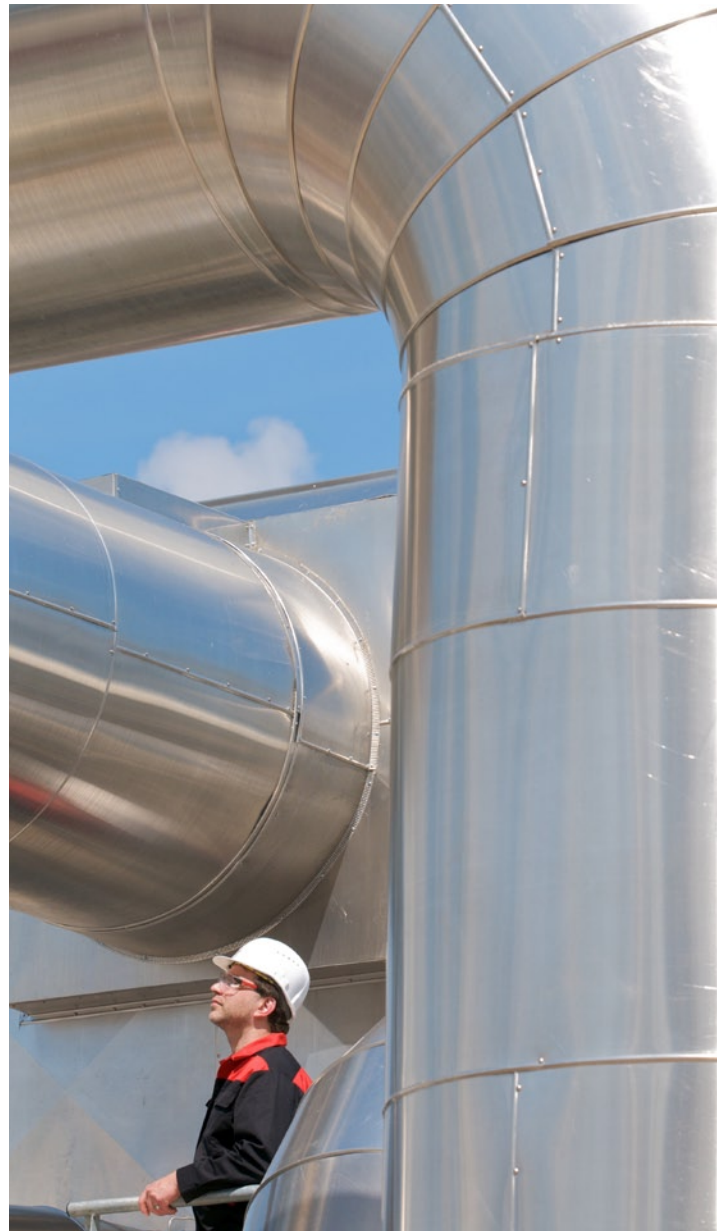
The new platform is currently configured exclusively for the SAP BW system. However, the hardware infrastructure is so scalable that it can host other applications as needed. And should LANXESS wish to obtain SAP service from the cloud at some future date, the new platform will be able to handle that as well. In fact, it's cloud-ready even today.

### Pay as You Go

Fujitsu also bills flexibly. Invoicing proceeds on a dynamic basis in the case of managed storage and managed backup services. The client pays per gigabyte consumed and a monthly flat rate per server used.

### Quality Management Included

LANXESS has a clear idea of any services rendered thanks to the monthly report that Fujitsu furnishes. The report covers such items as maintenance of the service level or down times. Fujitsu delivers the reports at monthly meetings that also provide a forum to discuss burning questions or talk about needed improvements.





## Customer Benefits

- Faster business processes
  - Response times cut by two thirds (on average)
  - Time-critical data-loading processes run three times faster
- Greatly increased user satisfaction
- Greater flexibility
- System is available around the clock
- Lower IT operating costs
- Innovative IT platform can serve as base infrastructure for cloud services

## Products and Services

- Managed SAP NetWeaver Business Warehouse Services, consisting of:
  - Server operation
  - Storage
  - Backup/Restore
  - SAP BW base operation
- Design and implementation of a future-proof infrastructure platform, consisting of:
  - Blade chassis and blade servers from the PRIMERGY BX900 Series
  - ETERNUS DX410 storage systems

### Expandable Infrastructure Saves Money

Should LANXESS require more performance in the future, it won't be a problem. The dynamic platform allows enough flexibility with dimensioning as needed. Even additional storage capacity can be added automatically while the system is up and running as soon as a pre-defined threshold has been exceeded. LANXESS pays only for as much storage capacity as it actually needs.

The use of ultra-modern server and storage technology also lowers energy costs and the CO<sub>2</sub> footprint. That's even more good news for an environmentally responsible company like LANXESS. Back in 2007 the company had set a target to reduce emissions of harmful gases in Germany by 80 percent by the year 2012. This goal was achieved ahead of time in 2010.



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