Bath and plumbing supplies are always on time with HP and SAP enterprise resource planning systems

"HP's relationship with SAP, working closely for many years in an alliance, is a big benefit for us. SAP is our core system – with no other commercial applications – so it is important for us that HP is a partner and has direct access to SAP."

– Wolfgang Goesswein, Chief Information Officer, Richter+Frenzel GmbH+Co. KG

Industry: Wholesale

RICHTER 🖶 FRENZEL

HP customer case study: Platform migration to HP-UX 11i, HP Integrity servers, HP StorageWorks systems and Mission Critical Partnership agreement in support of SAP ERP

Objective:

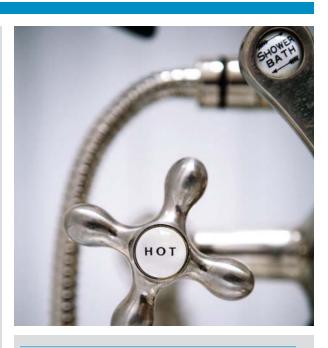
Provide an improved data-center infrastructure and high performance platform for managing the SAP® ERP environment, including new hardware, services and service-level guarantees

Approach:

Migrate from Tru64 to UNIX-capable HP Integrity servers and StorageWorks infrastructure, with a Mission Critical Partnership for just-in-time efficiency while customer also expands the business

Business technology improvements:

- Migrate from Tru64 UNIX to HP-UX operating environment to provide greater performance, availability and consolidation
- Enhance reliability, availability and performance for SAP mission-critical applications with HP Integrity Servers and HP StorageWorks EVAbased SAN infrastructure
- Support application upgrade migration from SAP R/3 4.6 to SAP ERP 6.02
- Guarantee 99.95 percent availability of SAP ERP 6.0 applications, with less than 500 millisecond response time, under Mission Critical Partnership
- Ensure that new SAP ERP 6.0 configuration runs approximately 30 percent faster than old SAP installation



Business benefits:

- Five-year total savings of €3-4 million (Euros) five to seven percent per year – on overall IT hardware, software and operations budget
- Guaranteed SAP application service levels and response time provide competitive edge, including reliable just-in-time delivery to customers
- Territory and market share expand with a new SAP 6.0 configuration on HP Integrity systems to facilitate integration with acquired former competitor's systems
- HP StorageWorks infrastructure reduces business risk with easily accessible duplicate data
- Single, centralized ERP 6.0 system reduces handling costs and provides easy access to business intelligence

"We have worked with HP since 2001. When Richter+Frenzel asked us which vendor could make SAP solutions run better, it was a choice between IBM and HP. We know who to call at HP to solve problems. For easy problem resolution, HP had the advantage over any other vendor."

 Jürgen Springer, Technical Account Manager, FIS-ASP

Just-in-time delivery ensures steady flow of repeat customers

It is 4:00 in the morning in Germany and workers are loading delivery trucks with bath and plumbing fixtures chosen earlier by customers in one of the 67 Richter+Frenzel showrooms. Plumbers and contractors know they can expect the materials from the plumbing wholesaler by 7:00 a.m. sharp on the day promised.

Operating for more than 100 years at 149 locations in Germany, Richter+Frenzel has built a €1 billion (Euro) annual business across its entire group of subsidiaries by meeting the challenge of order management. SAP ERP 6.0 applications running on HP infrastructure ensure prompt accurate delivery to the craftsmen who install the products. The system keeps track of pricing, bids and contracting cost information, generating proposals and filling orders throughout the distribution supply chain. HP and SAP combine to improve order management capabilities, increases employee productivity and enhances business planning to ensure that Richter+Frenzel remains a household name in German plumbing supplies.

Collaboration and flexibility create the right fit

An HP and SAP customer for several years, Richter+Frenzel has their SAP system customized for the company's commercial applications. According to the firm's CIO Wolfgang Goesswein, "Our handling costs are much less than our competitors through this central system." Richter+Frenzel began planning the migration from SAP R/3 4.6 to SAP ERP 6.02 in order to improve business functions, but to maximize those benefits required higher application availability and performance based on better infrastructure. German outsourcing application service provider FIS-ASP runs the Richter+Frenzel data centers. FIS-ASP Technical Account Manager Jürgen Springer knew who to recommend for the new platform. "We have worked with HP since 2001," says Springer. "When Richter+Frenzel asked us which vendor could make SAP solutions run better, it was a choice between IBM and HP. We know who to call at HP to solve problems. For easy problem resolution, HP had the advantage over any other vendor."

The first phase of the contract involved a migration from Tru64 UNIX to HP-UX 11i v2 and new HP hardware, including seven HP Integrity servers – trusted for scalable, mission-critical applications. The firm added HP StorageWorks Enterprise Virtual Arrays, and a tiered backup strategy improved speed and reliability by backing up to disk on HP StorageWorks 6150 Virtual Library Systems – and then added another layer of data security and recovery by backing up to tape on HP StorageWorks Enterprise Modular Library E-Series tape libraries.

An innovative configuration leverages the advanced virtualization and high-availability capabilities of the new HP Integrity servers, HP StorageWorks systems and the HP Virtual Server Environment (VSE) to enable maximum performance and data protection. VSE software components, including HP Serviceguard Extensions for SAP (SGeSAP), HP Data Protector Software, and HP Systems Insight Manager help protect and manage the installation.

The computing environment that gives Richter+Frenzel a competitive advantage depends on collaboration and flexibility among its business technology providers. HP, SAP and FIS-ASP maintain longstanding and carefully interwoven relationships. However, because HP provides the ultimate assurance to the customer, HP Services faced an unusual challenge when Richter+Frenzel asked them to look ahead and offer performance guarantees for SAP ERP 6.02 before either the operating system migration or the SAP upgrade. HP agreed to performance levels, in what HP Senior Account Manager Michael Hoffmann characterized as a special arrangement. "Our job "From a total cost of ownership point of view, over the 5-year lifecycle of the contract, we will save approximately €3-4 million in direct IT costs. That's 5% to 7% savings annually on our IT budget. By moving from SAP R/3 4.6 to SAP ERP 6.0 we are also approximately 30% faster."

 Wolfgang Goesswein, Chief Information Officer, Richter+Frenzel

> was to migrate from Tru64 UNIX to HP-UX 11i, but as a special agreement we guaranteed the new platform for SAP ERP 6.0 ahead of time."

> This was possible because of the close relationship between HP and SAP and HP's complete familiarity with SAP ERP 6.0 applications. The HP team felt secure projecting optimal availability of the whole SAP environment. As long as it was running on HP infrastructure – HP-UX, HP Integrity servers, HP EVA storage with HP Data Protector, and HP ESL libraries – the HP engineers knew the SAP applications would perform as promised after the migration and on throughout the five-year contract.

HP assured a response time under 500 milliseconds, the first in a series of warranties that culminated in a Mission Critical Partnership (MCP). All of HP's performance, response time, and service-level agreements depend on trust among the cooperating business technology partners, with the HP SAP alliance at the foundation. FIS-ASP customizes SAP ERP 6.0 in an industrial solution known as FIS / wws®. FIS-ASP handled the actual SAP migration. Nonetheless, HP was confident in taking full responsibility for service levels.

As Goesswein explains, "Via the MCP contract, HP guarantees that our system is available. They also provide third-level maintenance, looking after and caring for the system – even though they are not

running the system. It's an unusual arrangement. HP promises service levels for SAP ERP 6.0 performance based on response times. We have had the contract for over a year now, with excellent results. 100 percent availability is simply perfect for us."

Good system connections consolidate business technology after acquisition

"When one of our competitors, Schulte, went bankrupt, it was a great chance for us to gain market share," Goesswein explains. "We bought them out, which meant lots of goods and stock, 80 new subsidiaries and about 800 new users."

Schulte's systems were also hosted by FIS-ASP, so it made sense to merge the two sets of business technology into one comprehensive SAP system. Goesswein continues, "This was the reason for us to negotiate the Mission Critical Partnership with HP. The whole company is running on one system so it is absolutely critical for us. The HP guarantee was an enabler for the merger to succeed."

The HP Integrity rx8640 server performance surpassed expectations. Goesswein was pleased. "From my point of view it was perfect – no critical issues during the last year. The HP Integrity server and StorageWorks setups were excellent." The 800 Schulte users joined the 2,300 original Richter+Frenzel users in a smooth transition.

A pipeline of benefits

"The main point was that HP had a migration solution to minimize migration-related downtime," emphasizes FIS-ASP's Springer. "By moving the Oracle® database to the HP platform we minimized downtime and achieved a performance boost."

The successful migration effort also promises substantial savings. "From a total cost of ownership (TCO) point of view, over the five-year lifecycle of the contract, we will save approximately €3-4 million in direct IT costs," Goesswein says. "That's five to seven percent savings annually on our IT budget. By moving from SAP 4.6 to ERP 6.0 we are also approximately 30 percent faster. The HP systems and HP guarantees to minimize downtime make us more secure in serving our customers."

Asked to summarize the value HP adds to his company overall, Goesswein concludes: "It's the

Customer solution at a glance

Migrate Tru64 Unix platform to HP-UX 11i, running on HP Integrity Servers backed up by HP StorageWorks – and guarantee response times for SAP applications to ensure accurate, timely product deliveries.

Primary applications:

- Enterprise resource planning
- Business intelligence
- Finance and control

Primary software:

- SAP ERP (ECC) 6.02
- o FIS/wws ERP for technical wholesale
- o Sales Distribution (SD) module
- o Materials Management (MM) module
- o Supply Chain Management (SCM) module
- o Financial and Controlling (FI/CO) modules
- FIS/xee® XML-engine and Electronic Data Interchange (EDI)
- SAP Web Application Server
- o FIS/eSales® Electronic Sales
- o FIS/kis® Customer Information System
- SAP NetWeaver® Business Intelligence (BI) 7.0 data warehouse module
- SAP Solution Manager module
- HP-UX 11i v2 operating system

- HP Serviceguard Extensions for SAP (SGeSAP)
- HP Systems Insight Manager
- HP Data Protector
- HP StorageWorks Command View
- Oracle® database 10g

Primary hardware:

- 7 HP Integrity servers, models rx8640, rx6600 and rx3600
- 4 HP StorageWorks Enterprise Virtual Array (EVA 8000) systems
- 2 HP StorageWorks 6105 Virtual Library systems
- 2 HP StorageWorks E-Series Enterprise Modular Libraries (EML 245e)

HP Services:

- HP Consulting and Integration
- HP Technology Services Critical Services and Proactive 24 Care Packs
- HP Technology Support Services five-year contract
- HP Mission Critical Partnership

Why HP?

- HP relationship with customer and third-party service provider
- HP relationship with SAP
- End-to-end solution range
- Best performance and availability guarantee
- Best total cost of ownership

package, the full range, with HP and SAP. That's what makes this contract so important to us. HP is providing hardware, software and consulting – which in this case means project management – and HP has direct access to SAP. With very good hardware, great service and excellent project management, HP is a single company that can help us attain a complete data-center solution in all these ways."

About Richter+Frenzel GmbH

Richter+Frenzel (www.richter-frenzel.de) is a bath, heating and plumbing wholesale distributor, providing showrooms and just-in-time delivery. The company has more than 3800 employees, 149 locations in Germany, 22 locations in the Czech Republic. Serving 30,000 customers, Richter+Frenzel offers more than 100,000 products for sanitary, bath, heating, environment and foundation engineering.

About FIS-ASP GmbH

FIS-ASP (www.fis-asp.de) is an application service provider and IT outsourcing company, specializing in support for SAP solutions and supporting more than 10,000 SAP users. FIS-ASP services range from consultation and data-center hosting to project implementation and out-tasking.

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