



"The manufacturing industry generally operates complex heterogeneous application systems which do not all meet the latest IT standards. Anybody wishing to use modern tools first has to modernise the application systems. We have a different strategy: our aim is to implement anything that links the customers and suppliers more effectively into our business processes. The result is faster processing of all orders and therefore greater customer satisfaction."

Michael Neff, CIO, Heidelberg

Business Challenges

Complexity and heterogeneity represent major challenges for IT system environments that have developed gradually over the years - especially when clients' and suppliers' systems also have to be integrated, as has been the case with Heidelberg Druckmaschinen AG.

In the manufacturing industry, many purchasing processes can be carried out without the need for consultation, in some areas up to 80%. The tighter the scheduling with suppliers and customers, the more important and complicated it is to create a continuous process chain encompassing all the appropriate business procedures. This is best done through an Enterprise Application Integration solution.

The EAI solution links over 400 business critical application systems worldwide to the print media industry manufacturer, facilitating cost savings of over 30 percent.

Solution Overview

Heidelberg's 400 enterprise critical applications spread across the world include not only SAP systems but also legacy applications and a whole range of proprietary software solutions. Instead of x number of interfaces the applications are now linked via one single interface. As Michael Neff explains: *"Bringing together the applications, that is bringing about convergence, also helps improve our own business relations. And this is also an area in which major savings can be made."*

Heidelberg uses a new web-based EDI to offer a low-cost alternative to all the suppliers who cannot invest in a conventional solution of their own.

The new system is integrated into an electronic marketplace that the purchasing department has already been using for some time for strategic procurements. In the future, orders will be issued from Heidelberg's SAP system to an Internet application. Once the delivery is ready for dispatch the supplier can draw up his delivery notes and invoices in the web EDI application and send them to the Heidelberg SAP system as electronic files. This saves Heidelberg time handling paper documents and it can concentrate on processing the data instead. The advantage for Heidelberg is that practically every supplier can then be connected to it via the Internet. All they need is a standard PC and

an Internet browser. *"By the end of the 2002/2003 financial year we reckon we'll have around 100 partners using this alternative."*

Today the web EDI solution is linked into the internal processes and the integrated process system is run and controlled via the SeeBeyond integration platform and eInsight, the business process manager. This means that orders are immediately forwarded via the new e-infrastructure, permitting secure end-to-end order processing. Each individual process is transparent and so status information can be called up at any time. As a result, the entire process chain can be controlled. There is then scarcely any need for manual intervention, i.e. only when it is desirable. *"This reduces the complexity of the system management which in turn has a cost-cutting effect,"* affirms Neff.

Business Benefits

SeeBeyond was chosen by HDM for a number of reasons as Michael Neff explains, *"After making an assessment we realised that SeeBeyond delivered everything we were looking for - the technology is well designed, interaction with the provider works efficiently and SeeBeyond's focus on EAI is our guarantee for well engineered and state-of-the-art technology. The solution had to be secure and scalable, by which I mean open to changes in the future. The SeeBeyond products offer all of this. The SeeBeyond software will grow as part of our future application server platform."*

HDM expects that up to half of the point-to-point connections between systems and business critical applications existing today will be replaced or can even be done away with entirely. At the same time productivity will rise because at any given time the new IT infrastructure contains all the information which is required for rapid business processing today.

The savings potential is likely to be even greater than 30 percent as a continuous process chain which links all internal and external processes vastly increases the reaction times and system availability. Orders, complex customer inquiries, delivery times and much more can be processed practically in real-time.

Plans For The Future

The next step for Heidelberg is the e-Shop project. Other projects being developed are eSelf Help and the international Job Market. Furthermore the application server will be connected to the content management platform.

"Naturally we could have set to and programmed the whole thing ourselves, but with the SeeBeyond Business Integration Suite and eInsight, SeeBeyond's business process management component, we can reduce the total costs by around 30 percent and the system is up and running more quickly. Thanks to SeeBeyond a whole range of processes which were previously necessary have now become redundant," **Michael Neff**, CIO, Heidelberg

Solution Overview

- More than 400 business critical application systems connected
- Implementation of web-EDI Solution
- Introduction of business process management capability to ensure secure end-to-end processing with limited intervention

Business Benefits

- 30% reduction in costs due to convergence of systems
- Web-based EDI offering better service
- Complex customer enquiries processed more quickly in real-time
- Orders and delivery times processed in real-time

Technology Profile

- SeeBeyond Components
- eGate™ Integrator
- eInsight™ Business Process Manager

Integrations

- 400 business critical applications including SAP legacy and a whole range of proprietary solutions

Hardware OS

- Windows NT based on HP



Company Details

HDM is a world leading printer manufacturer with a workforce of 23,400. It operates in 170 countries and has revenues of 4.1 billion Euro (2002/03)

Location

- Germany

Industry

- Manufacturing: solutions for the print media industry

Business Challenges

- Integration of complex heterogeneous application systems
- Integration of business-critical application systems to print media industry
- 80% of many purchasing orders can be carried out without intervention