

Optimal Package at Hoffmann Neopac: mySAP.com on IBM @server iSeries.



Overview

■ The Challenge

Hoffmann Neopac provides optimal packaging solutions for demanding customers. To ensure the customer's wishes are fulfilled quickly, and production planning and logistics are rational yet still flexible, requires an adaptable software and hardware environment.

■ The Solution

mySAP.com for such areas as personnel management, accounting, sales and logistics, based on IBM @server iSeries Model 730.

■ The Benefits

Because of its integrated system environment, which includes operating system, database and systems management functions, the iSeries server administration is straightforward and ensures economic operation. At the same time, thanks to the logical partitioning, the iSeries servers allow you to react to any changes quickly and flexibly without generating any extra costs.

“The iSeries server is an ideal platform. It operates with high stability, performance, security and user friendliness – it scarcely needs any attention at all.”

Rudolf Reichenbach, Director of Commercial Applications, Hoffmann Neopac



If in the morning you reach for your easy squeeze tube of toothpaste (Elmex or Aronal?), then later maybe smooth on some well known make of cream or lotion (L’Oreal perhaps), if sometime in the course of the day, you take a ‘Fisherman’s Friend’ pastille from an elegantly shaped tin or when you take out the tin with the famous



Swiss herbal lozenges from Ricola to soothe a cough or hoarse throat – then you are probably picking up a packaging that originated from Hoffmann Neopac AG from Thun in Switzerland.

Packaging:

Added value for well known brands

Hoffmann Neopac, Packaging Solutions – with this signet the company makes clear what its name stands for: optimal packaging solutions for demanding customers with well known brands. Hoffmann Neopac brings two specialised firms

under one roof: Hoffmann supplies packaging made from tin, colour printed, strong and user friendly, in a wide variety of shapes and sizes. With its plastic and laminate tubes, Neopac can satisfy special requirements in respect of protection, function and aesthetics – ideal for pharmaceuticals and cosmetics, dental products, food



and chemico-technical products. The Swiss company provides its customers with a high quality of service in all fields, while the mass market is more dominated by companies from the Far East. Last year, Hoffmann Neopac and its 560 employees generated around 110 million Swiss Franks. The company holds the top place in its sector in Switzerland. However, approximately 70 percent of the turnover is achieved through export, in Europe and worldwide, especially in USA and Japan.

Logical:

Logistics are pivotal

“When can you deliver a million tins for our product? We are planning a special promotion ...’ – it is no unusual occurrence to be given such orders by our customers”, says Rudolf Reichenbach, Director of Commercial Applications in the Informatics Department at Hoffmann Neopac. Then we get moving: how many tin sheets ready printed have we already produced in advance, when can we get extra material, how fast can we change over our fully automatic production lines, what other orders have to be processed beforehand? Fulfilling the customer’s wish quickly, and keeping production planning and logistics rational but still flexible, are daily demands on small to medium scale packaging manufacturers. We are talking about large numbers of units here: for example, Neopac has produced around 230 million tubes last year; the big high-bay warehouse for the tin sector at Hoffmann in Thun has more than 16,000 storage places; the article master includes in total over 17,000 materials, of which approximately 7,000 are finished articles.

Integration reduces costs

In an environment like that, one can only survive in the long run with a powerful information technology that is also economical. Thus it became more and more obvious: the existing heterogeneous application environment would have to be replaced by an integrated total solution from a single source. A detailed requirement analysis was worked out, a comparison of different suppliers made, concrete application situations were looked at, and the conclusion arrived at: "Only SAP offers the complete solution including the sophisticated storage and production logistics that we require", says Reichenbach. "And it was the most cost-effective solution. And because everything is already integrated into the system, there are no extra costs and no follow-up costs for additional servers, hardware or software and interface programs."

In recent years, almost all application areas of the SAP R/3 System have been gradually introduced: the current range of applications stretches from personnel management to accounting, from sales to logistics. During the introduction period, IBM Schweiz consultants provided the Informatics Department with their full and energetic support: "Around 300 man days", estimates Reichenbach. "But parallel to that, we have built up our own know-how, so as not to be over reliant on external help." That has been successful: Rudolf Reichenbach, and the four man strong team behind him, carried out the entire customizing. In addition, more than 240 ABAP

programs have been created (simplified queries, individual evaluations), to adapt the system in its user interfaces to the tasks and working methods of the employees – not the other way round. "Here we found the SAP system to be extremely adaptable. All the operational processes can be imaged in the system extremely well", says Reichenbach. The data integrity and updating are also convincing. All the data is stored in the shared database. Single capture, multiple use – so goes the motto. That leads to faster planning cycles, to meaningful simulations, to optimal storage management, to exact information in the entire operation, to improved information availability. "Many a complex order enquiry that we were hardly able to answer in four to five days before is now cleared in one or two days", according to Reichenbach.

There are approximately 150 named users of the SAP system currently registered with Hoffmann Neopac, more than half of them in the area of logistics. So as to be equipped for the future, Reichenbach and his team already have the licence for the new mySAP.com solutions in-house. Given the pivotal role played by logistics in the company, he can well imagine that with mySAP SCM, and especially with SAP APO (Advanced Planner and Optimizer) a solution has been found that enables even more efficient and cost-effective planning.

IBM @server iSeries:

All inclusive

One thing was clear to those in charge at Hoffmann Neopac when SAP R/3 was introduced as Client/Server system: the software is the deciding factor, the hardware must be compatible with it. Various solutions were conceivable. So it was all the more fortunate that the server that the company already had at the time – an IBM AS/400® – was certified for SAP R/3 and hence there was no need to give up any of the features one had come to treasure in the past. "That saved us around 150,000 Francs for a start, as we could simply continue to use the previous licence for the operating system", said Reichenbach contentedly.

In the meantime, an IBM @server iSeries Model 730 with OS/400® V5R1 is in use. The 8-way configuration has a 6.1 GB main memory and net 286 GB disk capacity, available for data storage with RAID-5 technique. „The iSeries server is an ideal platform“, says Reichenbach. "It operates with high stability, performance, security



and user friendliness – it scarcely needs any attention at all.” All the critical system functions are integrated parts of the operating environment, the integrated relational database DB2® as well as sophisticated functions for communication, data security, the Client/Server operation and the system management. And several logical servers can be operated on the same computer – LPAR (Logical Partitioning) makes it possible. “Our SAP test-, development-, database- and application servers all run on the same box, logically separated from each other in the partitions. The benefits are plain to see: no extra servers – no extra costs”, says Reichenbach.

“I am naturally pleased that the application and systems environment installed at Hoffmann Neopac has now become a presentation project for small to medium size business: We keep getting people keen to visit us at Thuner See, ...”, he says smugly.



© Copyright IBM Corporation 2002

IBM Deutschland GmbH
D-70548 Stuttgart
ibm.com/de

The IBM home page can be found at:
ibm.com
www.ibm-sap.com

IBM, the IBM logo, the e-logo, DB2, iSeries, OS/400, and AS/400 are trademarks or registered trademarks of IBM Corporation in the United States, other countries, or both.

SAP, mySAP.com, mySAP, R/2 and R/3 are registered trademarks of SAP AG.

Other company, product, and service names may be trademarks or service marks of others.

This case study illustrates how one IBM customer uses IBM and/or Business Partner technologies/services. Many factors have contributed to the results and benefits described. IBM does not guarantee comparable results. All information contained herein was provided by the featured customer and/or Business Partner. IBM does not attest to its accuracy.

