

TOP TO BOTTOM

@ business solutions

we know

they know

END TO END

Air Products breathes new life into its processes with IBM and SAP.

By replacing numerous legacy applications with a single worldwide instance of SAP R/3 and a powerful IBM database solution, Air Products has successfully integrated and globalised its business processes. The new, highly resilient solution, implemented with assistance from IBM Global Services, will help Air Products to respond more rapidly to new challenges and opportunities, and to open up its systems to partners and customers for more efficient business.

Wind of change.

Air Products (NYSE:APD) serves customers in technology, energy, healthcare and industrial markets worldwide with a unique portfolio of products, services and solutions, providing atmospheric gases, process and specialty gases, performance materials and chemical intermediates. Founded in 1940 and headquartered in eastern Pennsylvania, Air Products has built leading positions in key growth markets and is recognized for its innovative culture, operational excellence and commitment to safety and the environment. With annual revenues of \$6.3 billion and operations in over 30 countries, the company's 18,500 employees build lasting relationships with their customers and communities based on understanding, integrity and passion.

With three divisions – Chemicals, Industrial Gas, and Equipment – spanning more than 30 countries, Air Products was a relatively fragmented organisation. Each division had its own way of managing accounting and customer relationships, and its own legacy IT systems to support these business processes. Local systems and processes also varied from country to country, and as a result it was difficult for Air Products to present a single face to its large global customers.

Says Rick Mayer, Enterprise Server Engineering Manager at Air Products, "Customers who purchased products from different divisions in different countries would ask us to give them consolidated totals of all their purchases, and that was very difficult for us to do. We wanted a single point of focus for our customers, so that we could be competitive and so that we could provide our global customers with the information they wanted. It was clear that we needed to consolidate under a common set of processes and a common IT infrastructure, and the combination of SAP and IBM proved to be the best solution for us."

Overview

■ The Challenge

Replace disparate legacy systems with a single global ERP solution, running on a mature, stable and scalable platform, in order to improve co-ordination of worldwide business processes and drive supply chain efficiency

■ The Solution

Industry: Industrial Gases and Chemicals

Application: SAP® R/3®

Hardware: IBM @server® zSeries™

Services: IBM Business Consulting Services (BCS)

■ The Benefits

Significant cost savings from the simplification and standardisation of diverse business processes and enabling systems, while providing a strong platform for future business.

IBM

SAP

A winning formula.

Air Products worked with IBM Business Consulting Services to implement SAP in a high-availability database environment, consisting of two IBM **@server** zSeries coupled with Parallel Sysplex technology, running IBM DB2® database. The two IBM database servers are housed in separate buildings and linked via fibre-optic cables, as are the SAP application servers, which run under Microsoft® Windows® with Microsoft Cluster Server. A Storage Area Network provides resilient backup and disaster recovery capabilities.

"The environment we have created for our single SAP instance is highly available, highly stable, and highly scalable," says Mayer. "Parallel Sysplex provides total reliability, and we have full failover capabilities for the application tier, too. We chose DB2 and the zSeries because of the maturity, stability and scalability of the solution. When you are looking at putting your whole business and all of your data on a single platform, these attributes are crucial."

The right chemistry.

IBM Business Consulting Services provided key support to Air Products during the creation of the new high-availability SAP environment. Advanced IBM project methodology helped Air Products break down the daunting task into clear deliverables, and templates supplied by the Services team ensured that documentation produced during the implementation came up to the required standard.

Mayer comments, "Our business will become increasingly dependent on the SAP solution, so it was vital that we were able to establish and document repeatable processes for managing the infrastructure – IBM Business Consulting Services helped us to do that. Their people were outstanding,

both in terms of technical skills and in terms of their commitment to us as a client. One member of the Services team still works with us, and we really feel that he is totally integrated into our team."

Room to breathe.

As of today, Air Products has successfully moved around 40 % of its business onto SAP, and expects to reach the 70 % mark by April 2004. The DB2 database will grow significantly from its current 0.5TB level, and the scalability of the IBM solution will prove to be a critical benefit at this point. One area where data growth is particularly high is in the storage of Material Data Safety Sheets for hazardous chemicals. Every new product created for a customer requires a new data sheet with up to 14 pages of text, and each data sheet may be translated into eight languages. Air Products is considering archiving solutions for this demanding workload. With many thousands of products on sale around the globe, Air Products relies on IBM DB2 to manage its growing requirements efficiently and reliably. Says Mayer, "The resilience, performance and stability of DB2 allows us to meet our availability and response-time objectives."

All-round benefits.

Air Products' use of SAP includes Business Process, Finance Accounting, Materials Management, Production Planning, Sales and Distribution, and Work Process. As the organisation rolls the solution out across new territories and business units, the benefits are expected to be impressive. The company estimates that using SAP will enable it to save tens of millions of dollars in goods and services purchases, accounts receivables, reduction in inventory, and a lower rate of discrepancies in invoicing, as well as savings in plant maintenance and general administration.

Says Mayer, "With SAP, we spend less time cleaning and consolidating data, and more time delivering added value to our customers. In the long-term, SAP will quite simply be the Air Products way of doing things, which shows how important it is to us. Using DB2 for SAP gives us the confidence that systems will always be available when we need them, allowing us to meet changing demand more efficiently and more effectively."

Further Information:

To learn more about how the IBM and SAP alliance can help your business, please visit: **ibm-sap.com**



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