

TOP TO BOTTOM

we know

they know

END TO END

## AutoAmbar accelerates business performance with SAP ERP on IBM Power

### Overview

#### ■ The Challenge

AutoAmbar, the exclusive distributor for the Nissan Motor Co. Ltd. in Venezuela, works with an extended dealership chain to sell cars and light trucks. Dealerships sent paper records of sales figures and stock positions to AutoAmbar. Financial and inventory data was entered manually into business systems, a time-consuming, slow and error-prone process. AutoAmbar wanted to capture information more quickly, analyze trends, and establish how each dealership was performing. The existing ERP solution suffered from poor performance and unreliability, did not provide the level of detail required, and could not easily be extended to include the customer relationship management tools that AutoAmbar required.

#### ■ The Solution

IBM Premier Business Partner Amazing Global recommended a suite of SAP ERP applications, SAP NetWeaver Business Warehouse and SAP Solution Manager, supported by two IBM Power 520

Express servers with POWER6 processors, running the IBM AIX operating system and replacing HP servers. AutoAmbar also deployed IBM BladeCenter with JS22 blades, featuring four-core POWER6 processors, to support SAP NetWeaver Business Warehouse and development, test and quality assurance environments for SAP applications. The company implemented a new storage and backup solution, based on IBM Tivoli Storage Manager, IBM System Storage DS4700 Express and IBM TS3100 Tape Library.

#### ■ The Benefits

Working with reliable, detailed data that is captured automatically, AutoAmbar has cut its month-end financial closing to a matter of days. AutoAmbar can analyze sales by vehicle, dealer and region, right down to individual replacement parts, for better understanding of business costs, revenues and margin. Simplified system management means just two people are now responsible for customer relationship management

as opposed to five previously. The energy-efficient IBM Power 520 Express servers provide high performance and availability at a low total cost of ownership.

#### ■ Key Solution Components

Industry: Automotive  
Applications: SAP® for Automotive solution portfolio, with SAP ERP applications including financials, controlling, customer service, materials management, sales and distribution, SAP ERP Human Capital Management and SAP NetWeaver® Business Warehouse  
Hardware: IBM® Power™ 520 Express servers with POWER6® processors, IBM BladeCenter® featuring JS22 blades with four-core POWER6 processors, IBM System Storage® DS4700 Express, IBM TS3100 Tape Library, IBM System Storage SAN24B-4 Express  
Software: IBM AIX®, IBM Tivoli® Storage Manager.  
Services: IBM Premier Business Partner Amazing Global



*“The greater speed in financial operations that is enabled by the SAP Automotive solutions with IBM Power Systems and IBM BladeCenter gives us a better view of the financial health of the company.”*

José Durand, Systems Administrator at AutoAmbar

AutoAmbar is the exclusive distributor for the Nissan Motor Co. Ltd. in Venezuela. Nissan opened its dealer unit in Venezuela, after 16 years without operations in the country. AutoAmbar was formed in 2002, after the Dominican Republic's Amber Group acquired the distribution rights from IACA. The subsidiary company operates 13 locations across Venezuela, and is responsible for the sale of leading brands including Almera, Tilda and Pathfinder.

Managing relationships with the dealers depends on the success of new models and the support required, including the warehousing and supply of components needed for vehicle maintenance. AutoAmbar relied on older software to manage inventory and finance. The software was heavily customized, with the consequence that introducing new releases presented a major business upheaval. Additionally, the existing software was not able to track work in the kind of detail AutoAmbar required, for example including serial numbers, part numbers and related information. IT maintenance costs were rising, diverting IT staff from more profitable work.

AutoAmbar wanted to adopt a more flexible, responsive attitude, ensuring optimal customer service, improved car-parts stock availability, and better forecasting and planning based on analysis of more detailed information.

José Durand, Systems Administrator at AutoAmbar, comments, “With our old system, we relied on manually adding information such as payroll, employee data and vehicle sales figures to the ERP system. Not only was this time consuming, but it was prone to human error, and called for extensive customization work to gain any kind of overview of operations.”

### **Recognizing the issues**

AutoAmbar replaced its legacy systems with the SAP for Automotive solution portfolio. This tailored set of SAP ERP applications includes components specifically tailored for the sales and service aspect of the automotive industry, such as financials, controlling, customer service, materials management, sales and distribution. The purpose is to deliver competitive advantage by integrating the entire engineering, manufacturing, supply, sales, and service business chain.

José Durand says, “The SAP for Automotive solution portfolio was the most attractive option for AutoAmbar because it offers an excellent fit with our organization, requiring only minor adaptation to our business model. This provided us with the ability to implement the solution rapidly with minimal configuration, and using standardized software make it easier to move to the next release when it arrives.”

SAP for Automotive is designed to help maximize revenue opportunities, manage and control costs, improve quality, and accelerate time to delivery. It delivers real-time information about projects, processes, operational performance, and markets, helping to



identify shifts in demand, customer requirements, and economic conditions.

The solution includes advanced analytics through SAP NetWeaver Business Warehouse (SAP NetWeaver BW), providing the business intelligence capabilities needed to identify trends, exceptions and variation to help manage and maximize margins, productivity and profitability.

The SAP for Automotive solutions are designed to manage the entire value chain, enabling global collaboration among employees, partners, and customers. Support for dealer business management enables processes such as vehicle sales, vehicle service, service-parts management, marketing, and finance, with improved supply chain management and enhanced aftermarket service.

#### **Selecting IBM to drive the process**

Having decided to implement the SAP solutions, AutoAmbar turned to the infrastructure choice. For the core SAP for Automotive landscape, AutoAmbar selected two IBM Power 520 Express servers running the IBM AIX operating system. For the associated SAP NetWeaver BW application and the development test and quality assurance environments, AutoAmbar selected an IBM BladeCenter with JS22 blades.

The company chose the IBM Power architecture for its core SAP solutions to take advantage of the platform's robustness, availability and scalability. IBM BladeCenter offered a cost-effective, high-performance platform to support business queries on large data sets using the SAP NetWeaver BW application. If and when demands grow on the BladeCenter environment, AutoAmbar can simply slot in new blade servers to add processing power. To deploy both server platforms, AutoAmbar worked with IBM Premier Business Partner Amazing Global.

Amazing Global had been supporting the SAP applications on the previous HP landscape. Having built up a strong relationship, Amazing Global recommended switching to IBM Power Systems servers as the best way for AutoAmbar to meet its business objectives for its core SAP applications and for SAP NetWeaver Business Warehouse. Amazing Global managed the sizing, specification, installation and deployment of the Power servers for AutoAmbar, including a complete migration service.

"The technical and migration services from Amazing Global were excellent," says José Durand. "IBM Power Systems give us exceptional performance and availability for our SAP for Automotive solution portfolio, and with IBM BladeCenter, we have a powerful yet cost-effective Intel-architecture platform for SAP NetWeaver BW that is very easy to scale."

The SAP databases are hosted on IBM System Storage DS4700 Express. AutoAmbar also selected IBM Tivoli Storage Manager to facilitate automated data backup to an IBM System Storage TS3100 Tape Library. With IBM Tivoli Storage Manager, AutoAmbar can protect its business-critical SAP data and enable rapid recovery without needing to tie up IT staff resources in routine, low-value daily administrative tasks.

IBM Tivoli Storage Manager allows AutoAmbar to automate storage management capabilities from a single point of control, simplifying the protection and management of data, even as it continues to grow. It also addresses business continuity issues by helping to shorten backup and recovery times, and maximizes application availability with advanced data recovery management technologies.

*"The SAP solution landscape is well designed: we can work efficiently on changes to systems, and test them rigorously in a completely separate environment on the same physical hardware."*

José Durand, Systems Administrator at AutoAmbar

#### **TECHNICAL LANDSCAPE**

**Servers:** Two IBM Power 520 Express servers, IBM BladeCenter with JS22 blades, both with POWER6 processors, IBM System Storage DS4700 Express, IBM TS3100 Tape Library

**Competitive Hardware replaced:** HP  
**Software:** IBM AIX, IBM Tivoli Storage Manager, SAP ERP, SAP NetWeaver Business Warehouse

**Users:** 32 active SAP users, 10 additional SAP NetWeaver Business Warehouse portal users

The IBM System Storage DS4700 provides high-speed data storage capabilities, supporting good response times for SAP users, while offering ample scalability for future requirements.

### Motoring to success

With the SAP Automotive solutions in place, AutoAmbar benefits from significant process optimization and automation. Business processes run faster and more smoothly, with staff in all departments able to work with the same, consistent data. Personal productivity is improved, and managers have a clearer view of the end-to-end status of processes right across the enterprise.

“With the SAP Automotive solutions, IBM Power Systems and IBM BladeCenter, we have achieved a high degree of operational integration across our dealerships and the main company offices, and we can also work more effectively with external partners,” says José Durand. “The SAP solution links us more closely with staff in the dealerships, enabling more rapid and efficient exchange of information on inventory, sales, finance and so on. And with the SAP NetWeaver BW solution, we can provide detailed and accurate reports to management to show them the performance of the business in real time. The reporting is highly configurable, so we can provide exactly the right information to each management team depending on their own particular priorities.”

The use of a shared set of master data provides much greater transparency and speed in financial operations at AutoAmbar. In particular, this enables the company to close sales periods much faster than before, and requires less effort from staff.

“The greater speed in financial operations that is enabled by the SAP Automotive solutions with IBM Power Systems and IBM BladeCenter gives us a better view of the financial health of the company,” says José Durand.

“Managers can identify potential problems more quickly, and move to rectify them before they have a significant effect on the business.”

The introduction of the SAP solutions has also helped to improve data quality at AutoAmbar. With a single set of integrated data shared across all locations, there is no requirement to re-key data, which minimizes the possibility of human error. Equally, the very detailed system logs enable AutoAmbar to monitor processes and documents and generate full audit reports showing who has made changes and when. This traceability allows the company to ensure that best-practice processes are being followed at all times and to protect against financial irregularities.

On the systems side, the architecture of the SAP solution saves time and effort for the IT department, as well as reducing business risk. The built-in landscape and environment management tools ensure that development and testing are properly controlled and kept separate from the production environment. When AutoAmbar needs to release changes into the production environment, full QA testing ensures that there will be no issues.

“The SAP solution landscape is well designed: we can work efficiently on changes to systems, and test them rigorously in a completely separate environment on the same physical hardware,” says José Durand. “This discipline helps us to provide a more responsive and higher-quality service to the business in terms of building new functionality and releasing new features.”



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