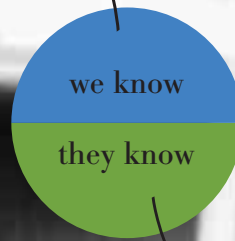




TOP TO BOTTOM



END TO END

Michel Thierry extends production control to include business partners with SAP and IBM

Michel Thierry S.A. is a leading manufacturer of textiles for the automotive industry – number one in Europe and number three in the world. The textiles it designs and manufactures are used for car seats, arm-rests, head-rests and other interior automotive components. Michel Thierry is based in France and has industrial sites and offices in Brazil, China, Germany, Japan, Spain, The United States and Turkey.

In the 1970s, Michel Thierry produced textiles for clothing, using information systems designed for this specific market sector. When the business changed its focus, choosing to specialise entirely in automotive fabrics, these information systems were no longer capable of meeting all its needs.

Bernard Taillades, Director of Organisation, explains: “Essentially, our legacy systems were totally closed – there was no automatic sharing of data internally. The same data would need to be re-keyed endlessly in different systems, making it difficult to gain an accurate view of cross-departmental processes. There was a clear impact on data quality, and the systems were costly and inefficient to run.”

A further problem was that power users in Michel Thierry had created their own applications using commercial Microsoft® products, to tackle the perceived shortcomings of the central enterprise systems. This fragmentation of information was inefficient, and a lack of proper documentation and strategic direction made such practices an unsustainable scenario in the long-term.

Breaking down the barriers

The goal for Michel Thierry was to create an open, centralised system, as Bernard Taillades explains: “With the old system, everything was trapped inside the four walls of the enterprise, so it was difficult to track products once they had been sent out to partners or subcontractors.

“We wanted a system that would not only bring down the barriers between internal departments, but that would also open up connections with the outside world – with suppliers, subcontractors, and customers.”

Tracking value across production

Michel Thierry’s fabrics are designed in close co-operation with the automotive manufacturers. After manufacture, the materials are sent for finishing and fitting by tier-one

Overview

■ The Challenge

Tighten financial control; Create a ‘corporate memory’ for research and development, Reduce manufacturing and operational costs

■ The Solution

Industry: Automotive, Textiles
Application: SAP R/3 4.6C
Hardware: IBM @server® iSeries™ 820, IBM @server® xSeries™
Software: Lotus® Domino, Lotus Domino.Doc 3.1, IBM WebSphere® Application Server 4.0.4, IBM WebSphere Portal Server 4.1.4, IBM DB2® Universal Database™
Services: IBM Business Consulting Services, IBM Global Services, IBM Integrated Technology Services, IBM Global Financing

■ The Benefits

Stock inventory savings of better than 20 per cent; Reduced the time taken to close figures for each period; ‘Corporate memory’ enables experience gained on past projects to feed into new projects



automotive suppliers such as Faurecia, Johnson Controls, Lear and many others. The value of the fabric rises with each stage of the manufacturing process. Without the ability to track fabric once it had been sent for finishing, Michel Thierry was unable to conduct accurate financial audits of its inventory and stock positions. By introducing real-time interfaces with the systems of external partners, Michel Thierry aimed to gain a better view of the extended supply chain, to accelerate communications and to reduce administrative costs.

Says Bernard Taillades, "The goal was to identify weak points in the production process and thereby reduce losses. If you can improve quality, you will improve profitability. By this I mean quality at every stage, from design through to delivery. In particular, we wanted to accelerate and reduce the cost of our research and development processes. Our research and development department was not computerised in any way, so there was no corporate memory. Each project would effectively start from a blank sheet of paper, so different designers in different countries could not easily share information on similar projects. All the useful experience was locked away in peoples' heads, and of course people don't last forever..."

Capturing this data has led to improved information sharing and production process tracking, and the company was able to develop clear supply chain rules and enhance its quality control. Using the same techniques, Michel Thierry aimed to capitalise on its research and development experience, and to enable elements from successful past projects to feed into new projects, accelerating the design cycle.

Michel Thierry's customers are also at the heart of the new solution, with the ability to create specific project reports, delivered on the web for immediate inspection. Standard customer relationship management processes have been implemented on both SAP and the document management application Domino.doc, to ensure complete project control.

Choosing SAP, choosing IBM

Michel Thierry decided to replace its disparate systems architecture with a single ERP solution, and considered four major vendors. The selection criteria were partly technological – Michel Thierry was using IBM OS/400-based systems with IBM DB2 Universal Database, and wanted to stay on the platform. On the functional side, a detailed analysis was made to ensure that the chosen solution would correspond to the company's needs. Finally, Michel Thierry considered the durability of each vendor, aiming to work with a stable and robust partner. Says Bernard Taillades, "After an exhaustive selection process, we chose SAP R/3 software as our strategic ERP platform for the future. Having made the choice for SAP software, we then carried out a similarly rigorous selection process for the systems integrator role. We knew that we were changing absolutely everything. The advantage of working with IBM was that they could offer all the technology we needed – hardware, software, services – from a single source at a very attractive price."

"Of course, we wanted to stay on OS/400 and DB2 Universal Database (UDB), so it made sense to work with IBM. And looking at the other technologies we planned around SAP software, such as WebSphere and Lotus Domino, it was clear again that IBM would be the best partner. We also got a positive impression of the quality of IBM's specialist consultants for SAP."

End-to-end solution with IBM

Michel Thierry engaged with IBM Business Consulting Services and embarked on an ambitious project to design, build and deploy an end-to-end process and information management system, based on SAP R/3 software, Lotus Domino, IBM WebSphere Application Server, IBM WebSphere Portal Server and IBM DB2 Universal Database, running on IBM @server iSeries and IBM @server xSeries servers.

IBM BCS led a nine-month period of re-thinking business processes to design innovative solutions, at the end of which IBM BCS delivered a summary report on the needs, new solutions and a description of the functional flow. The second phase included the SAP software configuration, the development of the web application, and creation of the links between the SAP software and the Web. This phase concluded with SAP software skills transfer to key users within Michel Thierry.

The third major phase was solution deployment, training support go-live, managed by the IBM GS method (Global Services method).

SAP R/3 solutions manage all the main processes, such as purchase, production, sales, quality control, maintenance, project follow-up, finance and controlling. To handle Michel Thierry's textile design and development needs, a specific web application was created that links to the SAP solutions in real-time, and delivers comprehensive information needed by the users, such as stock, structure, quality definition, including data from both the current and the past projects database.

Integrating the technical solution

Michel Thierry subsequently worked with IBM Integrated Technology Services for installation and configuration, and with IBM Global Financing to arrange a financial offer that suited the company's exact budgetary requirements.

"Working with IBM Business Consulting Services, SAP software is an enormous success at Michel Thierry," remarks Bernard Taillades. "The finance team wouldn't change it for the world, because it has opened up many doors that were previously closed. Fundamentally, the combination of IBM and SAP gives them what they need to work each day – faster, and with less effort."

Michel Thierry estimates that the SAP solution will reduce total stock by approximately 20 per cent. Additional operational savings from the elimination of data re-keying and keystroke errors combine to produce a highly cost-effective information management platform.

Finally, the SAP solution has removed the need for managers to self-build reporting applications, as all current data is available through the SAP software.

SAP software in action

The first stage of the project, which is already operational, covers all financial and administrative functions for the research and development department of Michel Thierry. The second stage, currently in development, will extend the new architecture to the whole organisation. The research and development department is semi-autonomous, having its own procurement, sales and production departments, so it was an excellent test-bed for the full enterprise solution.

Says Bernard Taillades, "The research and development system has been in production since May 2003, including document management and WebSphere portals. We are using SAP Finance Controlling, Production Planning, Materials Management, and Sales & Distribution across all commercial activities in the research and development department, from research to production, administration and project tracking."

In research and development, all work now passes through a totally computerised system. SAP software is used to control planning and production processes, and all documents are managed throughout their full lifecycle by Domino.Doc, enabling designers to search and access previous projects – the 'corporate memory'.

Bernard Taillades comments, "SAP doesn't offer a specialised solution for textiles, so we worked with IBM Business Consulting Services to develop additional functionality around the core systems. Using Java running under WebSphere and totally integrated with SAP software, in real-time, we have achieved all our functional goals.

"This additional development work with IBM is a major factor in the success of the solution, giving us incredibly powerful management of stock, production and finance through SAP software. And when you have Java and WebSphere, you can communicate effectively with the outside world, which is what gives the system its power."

"The manufacture of textiles is highly complex, so we couldn't just implement SAP software and expect it to meet all of our needs. But the combination of SAP software, Domino and WebSphere has enabled us to set

up processes and workflows across the enterprise and out to our partners beyond."

Reaching out across the Web

Michel Thierry has implemented IBM WebSphere Portal Server in order to enable designers in France, Germany and Brazil to share information and access technical designs easily and quickly through nothing more than a Web browser. This information sharing is helping to improve quality and times-to-market, both of which will lead to enhanced customer service.

For a global solution such as this, covering all aspects of the business and reaching out to partners and customers beyond the enterprise, high availability is an absolute necessity. Michel Thierry has ensured the highest possible availability by running SAP software, Domino and WebSphere on an IBM iSeries solution.

The two IBM **@server** iSeries 820 servers are mirrored using Vision Suite from Vision Solutions, Inc., which ensures that all data is replicated between the servers in real-time. The primary server runs the SAP software production environment for France, and is linked via gigabit ethernet connections to SAP application servers running on IBM **@server** xSeries machines. The secondary i820 runs the backup environment for France, alongside the SAP software development environment for France, and development, test, and production for WebSphere and Domino.

In the unlikely event of unscheduled downtime on the production machine, all major systems – SAP software, Domino and the WebSphere layer – can be recovered to the backup server in less than one hour.

Says Bernard Taillades, "The iSeries is our guarantee of reliability. We have used OS/400-based systems and their precursors since around 1978; we've simply never had a breakdown, and this has protected our investment for more than 25 years. The other reason for staying on the platform is that we have excellent internal competence and great experience of DB2 – a cornerstone for reliability and stability - so we avoided the costs of retraining technicians on a different platform."

First goal achieved

Michel Thierry has now successfully opened up its key information systems, both internally and externally. All corporate information is stored in centralised systems and databases, and is accessible both by all employees and by trusted external partners.

Says Bernard Taillades, "We see SAP software as a major building-block in the solution, but of course there are other equally important building-blocks. It's the totality of the solution that delivers the real benefits, and here the integration and development work carried out by the joint IBM and Michel Thierry team is crucial.

"Together, we have built an advanced system for controlling the flow of information throughout the enterprise and beyond. Across this solution, we are capable today of harmonising all dialogues and exchanges, using either EDI or the Web portals. In the past, we have relied on telephone, fax, email and postal communications, so moving to this harmonised, automated means of communication will have significant cost and time benefits."

Michel Thierry currently works with 12 textiles subcontractors, and is planning to give them access to its internal systems via Web portals

created and managed using WebSphere. These portals will enable the companies to report on their production and shipping in real-time, helping Michel Thierry to track production faster and more cost-effectively.

Says Bernard Taillades, "In the future, we want to have a full understanding of all our stock, whether in the EU or elsewhere in the world, and to be able to track everything very precisely. Using SAP, Domino and WebSphere, we are creating an advanced system that will allow us to improve communications at every level and for every stage of our production process.

Weaving a new future with SAP and IBM

"Of course, this is a long and complex project, and so we have developed a very close working relationship with IBM Business Consulting Services, who brought a fresh approach to our thinking. The project team numbers around 50 at the moment, approximately 20 of whom are from IBM.

"We think that the architecture of the IBM solution is very innovative, particularly in terms of the integration between different technologies.

"By working with IBM Business Consulting Services, we gained a single partner for every functional aspect, with excellent knowledge about every technology that we have deployed. I don't think that we could have achieved this with any other vendor, and certainly not at the same speed and the same price. For this major initiative, I have a single point of management contact with a single vendor, which is an enormous advantage in project management terms."

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Bernard Taillades
Director of Organisation



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