Lampertz builds new business opportunities with SAP and IBM.

Overview

■ **Challenge**

Specialist security systems manu-facturer Lampertz identified an opportunity to create and sell complete IT solutions containing IBM BladeCenter,® software and services in its high-security enclo-sures. To do so would mean linking its internal production systems with suppliers' systems and the com-plete supply chain.

■ **Why Become an On Demand Business?**

By improving internal business control and integrating processes more closely with those of external partners, Lampertz would become able to enter this new market for full-service solutions to customers. Integration of both systems and information would enable the com-pany to accelerate manufacturing cycles and to provide a new secu-rity product that competitors were unable to deliver.

» **On Demand Business defined**
An enterprise whose business processes—integrated end-to-end across the company and with key partners, suppliers and customers—can respond with speed to any cus-tomer demand, market opportunity or external threat.

■ **Solution**

Working with Orbis, a SAP business partner, and Loh Group, an IBM Business Partner, Lampertz selected Orbis CAR, a qualified mySAP All-in-One for Industry partner solution, to support its redesigned business processes. The IBM BladeCenter servers provide the flexibility and scalability this fast-growth company needs.

■ **Key Benefits**
• Significantly faster time-to-market for new products
• Reduced administrative costs
• Shortened supply chain
• Greater responsiveness to market demands

Lampertz GmbH & Co KG in Hof, Germany, specializes in IT security—designing, manufacturing and installing physical enclosures for computer hardware, known as "protection safes."

Risk management in IT is fast becoming a hot topic across all sectors, and Lampertz saw a clear opportunity in the market: many mid-sized companies lack the time and the expertise to create their own secure server environments.

ON DEMAND BUSINESS™

On Demand Business Benefits

• Time-to-market for new products has fallen significantly.

• Reduced administrative costs

• Just-in-time, just-in-sequence manufacturing techniques by connecting directly with suppliers and partners

• Ability to manage new manufacturing process, commit to tighter deadlines and squeeze costs out of the business

• Integrated view of operations allows for more rapid identification of new business opportunities.

" The combination of IBM and SAP technologies gives us an open, responsive and highly flexible infrastructure that allows us to concentrate on business innovation, not IT management."

– Michael Girg, executive vice president, Lampertz

Lampertz's plan was to offer complete, out-of-the-box solutions capable of supporting core IT systems, and it recognized that the ability to package components and installation services into a single solution would be a key competitive differentiator.

The new range was an immediate hit: sales of the Lampertz Rack Protector modular safe solutions, which incorporate IBM BladeCenter servers, cooling systems, security enclosures, configuration and implementation services, were soon rising at almost 50 percent above target.

To support the continuing growth in sales, Lampertz needed to reduce the component supply chain, introduce just-in-time manufacturing techniques, and improve project management control. It was not feasible to extend the existing in-house ERP application to meet these needs. Lampertz worked with Orbis, a SAP solution provider, and Loh Services, an IBM Business Partner, to tackle the problem, and selected the qualified mySAP All-in-One partner solution running on IBM BladeCenter servers.

Michael Girg, executive vice president, comments: "Lampertz has created a new approach to risk management for IT systems. The idea focuses on total security, with up to four IBM BladeCenter servers fully contained and cooled in a Lampertz modular safe LMS 9.3 enclosure. This innovative solution is the first in the market that delivers both the high-security rack and the IBM BladeCenter servers as a bundle, together with all the software and implementation services necessary.

"To support the outstanding success of our new offering, we needed to radically change the way our processes worked, and to connect seamlessly with our supply chain partners. Running the mySAP All-in-One partner solution on the IBM BladeCenter platform helped us to make the transformation and to serve our customers better."

On-time delivery

Prior to the mySAP All-in-One partner solution implementation, Lampertz had only manual control over many of its business processes and systems. Coordinating deliveries to customers, placing stock orders and managing finances were on separate systems. To realize the full sales potential of new products such as the Lampertz Modulsafe unit, the company needed a flexible business model that could absorb the increase in volumes seamlessly and without a rise in costs.

By linking business processes across internal departments and out to supply-chain partners, the SAP software has enabled Lampertz to improve efficiency, accelerate product development cycles, speed time-to-market and enhance its reputation for reliable customer service.

"One of the biggest benefits is the ability to interact with customers and suppliers electronically," says Ralph Wölpert, head of marketing and strategy. "For companies which also use SAP software, such as our holding company, Rittal group, we are able to place orders just-in-time and just-in-sequence for our manufacturing process. We estimate that our time-to-market is around 30 percent faster with the new solution. This cuts our inventory, reduces our cash flow needs, and ensures we are in a better position to guarantee on-time delivery to customers of completed products."

Focusing on innovation, not IT

The SAP software includes controlling, materials management, production planning, and sales and distribution applications, supporting more than 100 users. The key values it brings to Lampertz are improved integration of work-flow and information, better visibility of information throughout the enterprise and the ability to re-engineer processes as business requirements evolve.

"The mySAP All-in-One partner solution gives Lampertz an ERP solution that is perfectly suited for a medium-sized business, with very little requirement for customization," says Wölpert. "We have gone from a fragmented view of operations to a truly integrated view, which enables us to control manufac-turing more closely and identify new business opportunities more rapidly. With mySAP All-in-One, we have access to the same enterprise-class ERP function-ality as the global players, and it gives us the flexibility to support the next phase of business growth."

The IBM BladeCenter servers provide the ideal platform for the new ERP solution: the EM64T blades offer high performance for current operations and easy scalability for the future. An IBM BladeCenter holds up to 14 IBM blade servers in a single chassis, with redundant switches for networking and SAN connectivity as well as redundant cooling and power components, in a self-contained unit. As sales of the Lampertz Modulsafe continue to rise, implementing additional blade servers to handle the workload will be both quick and easy.

Key Components

Software

• SAP® R/3 Industrial, mySAP™ All-in-One partner solution

Hardware

• IBM BladeCenter

• Lampertz Rack Protector modular safe LMS 9.3

Business Partner

• Loh Services

Why it matters

IT systems security provider Lampertz found it impossible to assemble modules containing IT hardware bundled with software and services, a process that depends as much on external suppliers as it does on Lampertz's own manufac-turing systems. With the new solution based on SAP software running on IBM BladeCenter servers, Lampertz is now able to create complete solutions that attract a whole new customer base, helping to grow the company's revenues and profits.

"With the IBM BladeCenter we have built-in redundancy, including the ability to swap to spare blade servers should a problem arise," comments Wölpert. "Most attractive, however, was the scalability. We do not need to buy all the resources right at the beginning, and we can extend the solution on demand as our requirements grow. We want to focus all our attention on developing our product offerings, and this requires IT systems that can run reliably, cost-effectively and with the minimum of supervision. The combination of IBM and SAP technologies gives us an open, responsive and highly flexible infrastructure that allows us to concentrate on business innovation, not IT management."

Full-service solution

With the success of the Lampertz Modulsafe enclosure, the company is looking to scale up its marketing efforts and increase sales rapidly. The mySAP All-in-One partner solution on IBM BladeCenter servers has eliminated a significant amount of administrative effort, freeing up internal resources and expertise that can now be dedicated to the drive for product innovation.

"By helping us understand the true position of the business, the mySAP All-in-One software allows us to make firm commitments to customers," says Michael Girg. "We can now view accurate, real-time data on sales, inventory and manufacturing schedules, which has enabled us to introduce the latest just-in-time techniques."

He adds, "The greatest challenge we face is coordinating all the different aspects of our offering. We have to source multiple components and build them into a single physical enclosure, then deliver it with a host of associated installation services. We absolutely will not deliver an incomplete solution, because we understand how important IT security is for our customers. The mySAP All-in-One software on IBM BladeCenter servers has given us the control we need over both internal and external processes, helping us to deliver our innovative full-service solution to customers."

For more information

Please contact your IBM sales representative or IBM Business Partner.

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