

Maximize SAP Performance with IBM's Dynamic Infrastructure

Reduce costs, improve service and manage risk with IBM and SAP



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Introduction

This paper outlines how companies using SAP technology can pursue IBM's strategy for a dynamic infrastructure to reduce costs, improve service and manage risk.

Keeping pace with the market is a persistent and dynamic challenge organizations must contend with on a daily basis. And as the world continues to become flatter, smaller and smarter, the technology that powers your business needs to be more efficient, more productive and more responsive if you have any hope of staying ahead of the curve.

Yet, while overcoming these challenges has been paramount to executives for some time, an unstable economy has served to redouble the focus on being able to respond rapidly to shifting market conditions – while simultaneously getting the most return on existing and future technology investments.

As a user of SAP, you already understand the importance of applications and databases that drive success via enterprise-class functionality and business intelligence. But what about the infrastructure behind your SAP solution? Do your hardware and storage components complement the flexibility, scalability and availability of your business systems? Can they help you:

- Gain new intelligence?
- Go beyond green compliance and mandates?
- Align your workforce with your business objectives?
- Increase capacity without increasing costs?

With IBM's Dynamic Infrastructure, the answer to these questions – and many others like them – is a resounding “yes.” Designed to address higher service expectations, rising cost pressures and new risks and threats, a dynamic infrastructure helps enable breakthrough productivity, accelerated value creation and the increased velocity needed to achieve the faster pace the market demands.

IBM's Dynamic Infrastructure capabilities span physical and digital assets, data center systems, distributed computing resources, business processes and software solutions to address both today's and tomorrow's business imperatives.



The key is interconnecting business and IT assets to transform service delivery and achieve superior business outcomes. On the surface, this idea amounts to a complementary combination of hardware, software and storage – with each component contributing to the optimization of the others. But look deeper and you’ll discover that IBM’s Dynamic Infrastructure strategy involves a holistic approach to improving business processes in seven key areas:

- **Service management:** Provide visibility, control and automation across all business and IT assets to deliver higher value services.
- **Asset management:** Maximize the value of critical business and IT assets over their lifecycles with industry-tailored asset management solutions.
- **Virtualization:** Reduce cost, improve IT asset utilization and speed provisioning of new services through leadership virtualization and consolidation solutions.
- **Energy efficiency:** Address energy, environment and sustainability challenges and opportunities across the infrastructure.
- **Business resiliency:** End-to-end, industry-customized governance, risk management and compliance solutions.
- **Security:** Maintain continuous business and IT operations while proactively and rapidly adapting, managing and responding to risks and opportunities.
- **Information infrastructure:** Achieve information compliance, availability, retention and security objectives.

This paper outlines how you, as a user of SAP, can leverage IBM’s strategy for a dynamic infrastructure to reduce costs, improve service and manage risk. In addition to examining high-level tactics, you’ll hear how existing IBM customers running SAP technology have benefited from a more interconnected and service-oriented hardware, software and storage environment – and how you can achieve similar results within your own, unique dynamic infrastructure.



How customers are finding success within their dynamic infrastructures

Customer	Dynamic Infrastructure initiative	Customer initiative	Customer benefit
Rohm and Haas	Energy Efficiency	Standardized on SAP ERP applications and IBM Power Systems across the enterprise	Reduced overall IT costs from 3 percent of revenue to 1.3 percent while cutting the number of physical servers by more than half
Baldor Electric Company	Virtualization	Standardized on SAP for all applications, IBM DB2 for all database applications, SUSE Linux for all application servers and IBM System z	Reduced IT TCO from approximately 2 percent to less than 1 percent of sales while shrinking data center floor space by over 70 percent
Fossil	Service Management	Built a dynamic infrastructure on six IBM System p570s, IBM System Storage DS4800, IBM AIX and IBM DB2 for its SAP environment	Reduced IT management costs, improved supply chain management across the enterprise and increased responsiveness to consumer demand
Agrium	Information Infrastructure	Implemented five IBM System p5 570 servers to run its SAP application landscape	Reduced database maintenance costs by approximately 50 percent while shrinking data center footprint from 21 servers down to five
Svendsen	Security	Implemented IBM Power Systems i520 as the infrastructure for its SAP Business All-in-One application	Dramatically accelerated SAP implementation time, migrating 80 percent faster when compared to competitive processes and avoided having to purchase three additional servers
Klinikum Chemnitz	Business Resiliency	Replaced eight HP servers with a dynamic infrastructure composed of IBM Power Systems, IBM System Storage DS4000, IBM Tivoli Storage Manager and SAP for Healthcare solution	Achieved annual hardware investment and operational cost savings of 20 percent and 10 percent, respectively, while minimizing system downtime and instituting simple, cost-efficient backup processes



SAP Solutions in IBM's Dynamic Infrastructure

For more than 35 years, IBM and SAP have engaged in meaningful, ongoing collaboration that drives the development of products and services for both companies – and contributes to an unparalleled, end-to-end experience for customers. Together, the two companies provide a multitude of industry-specific solutions based on best practices and business experience gained in thousands of engagements worldwide.

And now with IBM's Dynamic Infrastructure strategy, this powerful partnership becomes even stronger. Alone, practically any single component from IBM or SAP can help improve your technology environment, but when used in concert in a dynamic infrastructure, these components create synergies that can multiply your overall cost reductions, service improvements and investment returns.

With impressive results in many customer locations today, IBM has a proven track record of success in SAP environments:

- IBM has earned 10 Pinnacle Awards – SAP's most prized Partner Community award – in the last four years, more than any other SAP partner
- IBM is a leading SAP Business All-in-One reseller and implementation partner with more than 30 industry solutions developed and delivered to serve the mid-market
- IBM has a large, SAP-focused resource base and consulting practice worldwide, with more than 16,000 consultants in 160 countries
- IBM is a leading co-development partner of SAP, for example working to create an SAP Business Warehouse Accelerator appliance that provides the most scalable and fastest such implementation available
- IBM itself is one of the largest users of SAP functionality, with billions of dollars of revenue flowing through the SAP systems of IBM's hardware, software and services businesses

Solutions that can grow with your business are those that combine uncompromising usability now with the flexibility to quickly adapt to rapidly changing business needs. When combined, the powerful functionality of SAP and robust infrastructure platforms from IBM provide the industry-leading performance and scalability you need to compete in today's competitive – and ever-evolving – business landscape.



The Three Imperatives of Dynamic Infrastructure

The operational challenges of the modern business world are many and often contradictory. For example, exponentially increasing amounts of data often require additional hardware and storage to manage, but most organizations are embracing green IT initiatives that attempt to shrink the data center's footprint in order to improve energy efficiency. Another example is the opposed forces of a volatile economy that calls for reduced spending and the ballooning costs associated with managing today's increasingly complex IT environments.

In order to better define the many disparate and contradictory challenges businesses face today, IBM has grouped them into three categories:

- **Rising cost pressures:** In today's financial climate, cost efficiency is top of mind for most executives, and they are looking to not only drive down overall costs, but also better use available dollars.
- **Higher service expectations:** Organizations are no longer content to simply align business and IT assets in support of the business. They want to meet the increasing demands of digitally savvy customers who expect innovative and high-quality 24x7 services.
- **New risks and threats:** Companies are struggling to stay ahead of the risks that plague them, while simultaneously attempting to support business goals and address various regulatory, organizational and industry-based compliance initiatives.

Designed to address these challenge areas, the IBM Dynamic Infrastructure strategy helps you achieve greater results with improved management and leverages new technologies and strategies to reduce costs and deliver superior business and IT services with agility and speed. More specifically, a dynamic infrastructure will help you achieve three business imperatives:

- **Reduce costs**
- **Improve service**
- **Manage risk**

In the following sections, this paper will more deeply examine each of the three imperatives, outlining opportunities for success in each area and spotlighting existing IBM customers running SAP technology that have already achieved benefits within their own dynamic infrastructures.



Reducing Costs

It should come as no surprise that reducing costs is top of mind for nearly all executives in the business world today. Economic fluctuations, unstable markets and an increased focus on running lean, green operations have created a perfect storm of financial challenges organizations must deal with if they hope to realize profitability.

Yet while bottom-line cost reduction is important, a dynamic infrastructure can also help you achieve breakthroughs in productivity gains through virtualization, optimization, energy stewardship and flexible sourcing.

When you chose to implement an SAP solution in your organization, you made an investment in a business transformation strategy that can help you preserve profitability by addressing such challenges as cash management, risk mitigation, customer loyalty, streamlining of operations, sustainability and talent management. IBM's Dynamic Infrastructure strategy dovetails with SAP's at every point, offering you even more opportunities to reduce costs with complementary hardware, services and storage.

When combined in an IBM Dynamic Infrastructure, IBM and SAP provide:

- Technology innovation and advancements that reduce the costs of acquisition and ownership
- Virtualization opportunities across systems, storage, networks and applications to drive up utilization and drive down costs
- End-to-end service management, network, resiliency and security tools to help reduce the complexity of the data center
- Energy efficiency strategies across all systems, assets and facilities
- Cost-efficient, scalable, secure and resilient hardware and storage solutions to optimize both your business and IT infrastructure

In the coming pages, you'll have the opportunity to read about two SAP users – Rohm and Haas and Baldor Electric Company – that have leveraged IBM's Dynamic Infrastructure capabilities to significantly reduce the costs associated with operating and managing their respective IT environments.

Rohm and Haas

Reduced overall IT costs, shrank data center footprint and improved uptime rating with IBM p570 Power Systems, IBM System Storage 3594 and SAP ERP 6.0

With sales of nearly \$10 billion, Rohm and Haas pioneers innovative technologies and solutions for the specialty materials industry. Having grown largely through acquisition, the manufacturer ultimately found itself supporting an overly costly and complex infrastructure populated by more than 1,400 physical servers running multiple financial, production and manufacturing systems.

A mix of best-of-breed and in-house developed applications were inherited from each acquisition, making central reporting and planning for the company a complicated and time-consuming task. It was because of the distributed nature of its infrastructure – and the inefficiencies it caused – that Rohm and Haas decided to standardize on SAP ERP applications and IBM Power Systems across the enterprise.

Using the advanced virtualization technologies of an IBM architecture built predominantly on p570 POWER6 systems, Rohm and Haas is able to run multiple SAP applications and services in separate virtual servers, which has allowed the corporation to cut the number of physical servers by more than half, to 600. This reduction saves at least 150kW in electrical power alone, making a sizable contribution to greener, more efficient operations.

What's more, Rohm and Haas' virtualization program has also helped to deliver reductions in maintenance, management and support costs that contribute to significantly lower IT operational costs for the company. In fact, during the 2003-2008 timeframe, the company was able to reduce overall IT costs by more than half, from 3 percent of revenue to 1.3 percent. In addition to these impressive cost savings, Rohm and Haas has built a dynamic infrastructure that supports more than 12,000 SAP users, maintains an uptime rating of better than 99.98 percent and creates an environment where business-critical data is available on demand and in real time.



Rohm and Haas' solution consists of:

- IBM p570 Power Systems
- IBM System Storage 3594 tape library
- SAP ERP 6.0 and a variety of other applications, including Advanced Planning and Optimization, Customer Relationship Management, NetWeaver Business Intelligence and more

Rohm and Haas achieved the following benefits:

- Reduced overall IT costs from 3 percent of revenue to 1.3 percent
- Cut the number of physical servers by more than half, from approximately 1,400 to 600
- Built a dynamic infrastructure that supports more than 12,000 SAP users while maintaining an uptime rating of better than 99.98 percent

By standardizing on IBM Power Systems and SAP ERP applications across the enterprise, Rohm and Haas achieved the Energy Efficiency and Virtualization initiatives of IBM's Dynamic Infrastructure strategy. In so doing, the company was able to cut the number of physical servers in half and reduced overall IT costs from 3 percent of revenue to 1.3 percent.

Baldor Electric Company

Reduced IT TCO, trimmed electrical consumption and cut down maintenance and licensing costs with IBM System z, IBM DB2 and SAP

A manufacturer of industrial electric motors, mechanical power transmission equipment, electronic controls, generators and more, Baldor Electric Company is a \$2 billion enterprise with more than 25 manufacturing plants serving the global needs of customers in over 70 different countries. Since migrating to SAP in 1997, the company has supported computing operations across the enterprise from its headquarters in Fort Smith, Arkansas.

According to Mark Shackelford, Baldor Electric's vice president of information services, as the company migrated one by one onto SAP applications during the 1997-2004 timeframe, its Windows-server based infrastructure grew so much in size and complexity that the IT team had trouble keeping up. "We were on a hiring freeze at the time, so adding manpower was not an option," says Shackelford. "That's when we decided to take a 180-degree turn toward a mainframe environment with Linux on IBM System z."

At the heart of Baldor Electric's IT transformation was a vision of a dynamic infrastructure standardized on one business application, one business database and one hardware platform. Today, the company has achieved that vision, as it runs SAP for all applications, IBM DB2 for all database applications, SUSE Linux for all application servers and IBM System z hardware for all application and database servers.

In this streamlined and standardized IT environment, Baldor Electric has achieved a number of significant benefits in the form of cost savings and cost avoidance – not the least of which is a more than 50 percent reduction in IT total cost of ownership (TCO) from around 2 percent to less than 1 percent of sales. In addition, the company was able to reduce electrical consumption by more than 30 percent, shrink data center floor space by over 70 percent and achieve a more than 50 percent reduction in hardware and software maintenance, support and licensing fees.



Baldor Electric Company's solution consists of:

- IBM System z hardware
- IBM DB2
- SAP applications, including HR, Payroll, Manufacturing, Sales and more
- SUSE Linux

Baldor Electric achieved the following benefits:

- Reduced IT TCO from approximately 2 percent to less than 1 percent of sales
- Shrank data center floor space by over 70 percent
- Trimmed electrical consumption by more than 30 percent
- Reduced hardware and software maintenance, support and licensing fees by more than 50 percent

By standardizing on IBM DB2 for all database applications, SUSE Linux for all application servers and IBM System z, Baldor Electric Company achieved the Energy Efficiency and Virtualization initiatives of IBM's Dynamic Infrastructure strategy. As a result, Baldor shrank data center footprint by over 70 percent, trimmed electrical consumption by more than 30 percent and reduced IT TCO to less than 1 percent of sales.

Improving Service

The speed of business continues to increase. Today's customers are more technologically savvy than they've ever been before. And your employees expect nothing less from your IT environment than uninterrupted availability, powerful performance and real-time, dynamic access to business-critical data and applications.

IBM's Dynamic Infrastructure strategy is designed to help you respond quickly and flexibly to business opportunities and customer demands with a superior, business-driven service model that provides visibility, control and automation of the underlying business and IT infrastructure – and aligns physical and IT assets to enable rapid, agile response to evolving marketplace challenges.

These tenets support your SAP solution, which helps deliver greater insight and visibility across organizations, operational efficiency and effectiveness and flexibility – enabling you to deliver superior customer service, while tightly controlling the cost of service delivery. In other words, with IBM and SAP you can provide a level of service that differentiates you from your competitors, making your customers come back for more and recommend your business to their friends and colleagues.

When combined in a dynamic infrastructure, IBM and SAP offer:

- A complete application lifecycle solution that delivers integrated management and automation, starting from the development environment through production deployment
- Automation capabilities that integrate the analysis of performance and capacity trends with automated provisioning, delivering a closed-loop system critical to infrastructure optimization
- Advanced energy management that integrates data across servers, facility power and cooling providers and building automation systems to enable optimized energy usage
- New opportunities for increasing cost efficiencies, improving service quality and reliability, responding quickly to new business opportunities and deriving more value from all of your business assets

Fossil and Agrium are two SAP users that have already improved service levels by implementing elements of IBM's Dynamic Infrastructure strategy. In the following pages, you'll be able to read about their successes and learn how you can achieve similar results in your own unique IT environment.



Fossil

Improved supply chain management, increased visibility across the enterprise and accelerated response to consumer demand with IBM p570 Power Systems, IBM System Storage DS4800 and SAP for Retail

A global company specializing in the design and manufacture of watches and other fashion accessories, Fossil employs over 10,000 people and generates annual revenues of approximately US\$1.25 billion. The company's extensive growth in the years since its founding in 1984 has been achieved by a combination of acquisition and brand extension – the former of which left Fossil with a disparate collection of business systems that did not seamlessly interoperate.

Hoping to gain better and faster access to business-critical data across the organization, Fossil made the decision to standardize on a centralized enterprise resource planning (ERP) solution for its wholesale operations in SAP's Apparel and Footwear application. According to CIO Ed Jurica, standardizing the business system – and the information that runs through it – has enabled Fossil to increase the speed at which it brings new concepts to market – and ultimately keep up with the ever-changing trends of the global fashion market.

On the retail side of its operations, Fossil implemented the SAP for Retail solution to interface with point of sale (POS) systems in its 160 stores. Says Jurica, "Because the new solution shares information automatically between the retail and wholesale environments, we can manage our supply chain more effectively and with fewer manual processes."

Six IBM System p570s and IBM System Storage DS4800 act as the foundation upon which the company's SAP environment was built, with the IBM AIX operating system and IBM DB2 supplying the connective tissue. With the improved visibility of business processes and changing market conditions afforded by this dynamic infrastructure, Fossil has achieved tighter control of shared inventory, accelerated its ability to respond to consumer demand and driven higher efficiencies in inventory management.



Fossil's solution consists of:

- Six IBM System p570s
- IBM System Storage DS4800
- IBM AIX and IBM DB2
- SAP for Retail
- SAP Apparel and Footwear

Fossil achieved the following benefits:

- Increased the speed at which it can bring new concepts to market
- Improved supply chain management across the enterprise
- Increased visibility into business processes and changing market conditions
- Accelerated response to consumer demand

By implementing six IBM System p570s, IBM System Storage DS4800, IBM AIX and IBM DB2 for its SAP environment, Fossil achieved the Service Management and Information Infrastructure initiatives of IBM's Dynamic Infrastructure strategy. As such, the company improved supply chain management across the enterprise, increased the speed at which new concepts can be brought to market and accelerated response to consumer demand.



Agrium

Reduced database maintenance costs, improved SAP application availability and increased scalability with IBM p570 Power Systems, IBM System Storage DS4800 and SAP

Based in Calgary, Alberta, Canada, Agrium is a leading global manufacturer and wholesaler of agricultural nutrients, industrial products and specialty fertilizers, with major retail interests in North and South America. And with a plan to achieve significant growth in the near future via acquisitions and expansion into new markets, the company realized its existing infrastructure would not be capable of scaling to support the resulting increase.

“We were running our SAP software environment on 21 Alpha and Intel-based Windows servers, which were reaching end-of-life,” says Luke Lau, Agrium’s director of IT technology and planning. After investigating a variety of offerings from other hardware vendors, the company chose to implement five IBM System p5 570 servers to run its SAP application landscape. Three of these servers handle the production environment, and have been clustered using IBM High Availability Cluster Multi-Processing (HACMP) to ensure high availability. The remaining two p570s are used for testing, training and special projects.

Says Lau, “The IBM System p5 platform offers us reliability, high performance and the ability to take advantage of leading-edge IBM virtualization technologies – making a significant contribution to the power and price-performance of our IT environment.” Agrium also implemented a virtualized storage environment, adding an IBM System Storage DS4800 disk system and an IBM System Storage SAN Volume Controller (SVC) to manage the dynamic infrastructure.

As part of the migration, Agrium decided to move from its existing database platform to IBM DB2. Lau cites the cost-effectiveness of the platform and IBM and SAP’s commitment to DB2 as a leading database for SAP applications as reasons for the switch. “We’re saving approximately 50 percent on maintenance costs with DB2 compared with our previous platform,” adds Lau. What’s more, Agrium now has a dynamic infrastructure that can scale to support the business as usage and data volumes increase, helping the company meet its strategic growth targets.



By implementing five IBM System p5 570 servers and IBM System Storage DS4800 with a SAN Volume Controller (SVC), Agrium achieved the Virtualization, Service Management and Information Infrastructure initiatives of IBM's Dynamic Infrastructure strategy. In so doing, the company reduced database maintenance costs by 50 percent, improved SAP application availability and transaction response times and increased overall system scalability.

Concludes Lau, "With System p5 and DB2, we have been able to improve SAP application availability and transaction response times for end users, giving us an infrastructure that is more than equal to today's business challenges."

Agrium's solution consists of:

- Five IBM System p570s
- IBM System Storage DS4800 and SVC
- IBM DB2
- SAP R/3, SAP Customer Relationship Management, SAP NetWeaver Business Intelligence and more

Agrium achieved the following benefits:

- Reduced database maintenance costs by approximately 50 percent
- Shrank data center footprint from 21 servers down to five p570s
- Improved SAP application availability and transaction response times
- Increased scalability to support the business as usage and data volumes increase



Managing Risk

Security, resiliency and compliance are already expectations in today's business environment, but dynamic organizations need to prepare for the new risks posed by an increasingly connected and collaborative world. In an unpredictable, regulated climate of continuous change and global competition, you want to have confidence in your ability to effectively address risk management, security and resiliency concerns – while simultaneously meeting the business agility and 24x7 availability requirements of your customers.

With IBM's Dynamic Infrastructure technologies, you'll be able to instill trust with key constituents, respond quickly and accurately to regulatory and compliance requirements and adapt to changing conditions with the peace of mind that your business and IT infrastructure is secure and resilient. And this trust will also extend to any "smart" and mobile devices, external networks and supply chains that make up your external infrastructure.

What's more, SAP solutions are built from the ground up to ensure the highest levels of security in the most sensitive environments. SAP follows rigorous security standards in the design and development of all its solutions, and SAP application developers receive extensive security training. In addition, SAP software development is certified according to the ISO 9001:2000 standard, as well as Information Technology Security Evaluation Criteria (ITSEC) Level E2 Medium.

When combined in an IBM Dynamic Infrastructure, IBM and SAP provide:

- Proven methodologies that leverage frameworks for security and resilience
- A successful track record of recovering clients that have declared disaster
- A database of known vulnerabilities that can be used to identify and prevent a number of the worst threats faced by clients
- Extensive research and development and more than 150 business resilience centers dedicated to providing leading-edge security and risk-management strategies

In the next couple of pages, you can read about Svendsen and Klinikum Chemnitz, two organizations that depend on IBM systems to not only power their business-critical SAP solution, but to also act as the foundation for a resilient, secure and recoverable dynamic infrastructure that mitigates risk and provides peace of mind.

Svensden

Accelerated SAP implementation time, achieved uninterrupted uptime and improved employee productivity with IBM Power Systems i520 and SAP Business All-in-One

Based in Stuttgart, Germany, with subsidiaries in eastern Bavaria and Switzerland, Svendsen is a specialist distributor of DEUTZ engines and also provides services for such manufacturers as Voith and Pleiger. A lean-running – but growing – company, Svendsen employs around 30 people that handle approximately 5,000 customer orders a year.

Having previously run a simple ERP solution based on SAP Business One in a Microsoft Windows environment, the company chose to upgrade to a larger-scale ERP package in SAP Business All-in-One in order to support its growth and a rising tide of transactions. However, staying on a Windows and Intel infrastructure would have required the purchase of three additional servers – which would have complicated the implementation process and increased maintenance efforts and costs.

According to Lutz Ilgner, Svendsen's CEO, IBM i and IBM Power Systems were the perfect complement for the company's new SAP application. "For the same price as the proposed Intel architecture, we purchased a single, more powerful and scalable Power Systems server, with all the characteristic advantages of IBM i: legendary reliability, high resilience against viruses and the built-in IBM DB2 database," says Lutz Ilgner.

For the migration process, Svendsen chose to leverage the IBM i InstallOption for SAP Business All-in-One methodology, which got the company up and running on its new dynamic infrastructure within a single day – nearly 80 percent faster than traditional methods. What's more, since the switch Svendsen has experienced no unscheduled downtime and spends almost no time on the maintenance and administration of the hardware, operating system or DB2 database. Concludes Lutz Ilgner, "We need all of our staff to be able to focus on our core business – we cannot risk hindering their productivity with the need to manage and maintain IT systems."



Svensden's solution consists of:

- IBM Power Systems i520
- IBM i and IBM DB2
- SAP Business All-in-One

Svensden achieved the following benefits:

- Dramatically accelerated SAP implementation time, migrating 80 percent faster when compared to competitive processes
- Avoided having to purchase three additional servers by consolidating onto one IBM Power Systems i520
- Achieved uninterrupted uptime since the migration
- Improved employee productivity by reducing the time spent on IT maintenance and administration

By implementing IBM Power Systems i520 as the infrastructure for its SAP Business All-in-One application, Svensden achieved the Security and Energy Efficiency initiatives of IBM's Dynamic Infrastructure strategy. As such, the company avoided having to purchase additional servers, dramatically accelerated SAP implementation time and improved employee productivity.

Klinikum Chemnitz

Minimized system downtime, implemented efficient and flexible backup processes and improved availability of business-critical data with IBM p570 and p550 Power Systems, IBM System Storage DS4000 and SAP for Healthcare

The Klinikum Mittleres Erzgebirge (KME) and Klinikum Chemnitz operate several locally owned hospitals in the Saxony region of Germany. KME possesses about 450 beds and employs some 700 clinical and non-clinical staff, with hospitals in Zschopau and Olbernhau. The Klinikum Chemnitz group is one of the largest hospitals in Germany, running a 1,790-bed hospital with 15 clinics and employing more than 4,000 people.

With all significant business, financial and patient administration processes across the combined group handled by SAP applications, the core data obviously needs to be always available – while the infrastructure behind SAP must be able to grow and adapt to new demands. These are the reasons why the Klinikum Chemnitz group decided to replace its sprawling and outdated IT environment with IBM Power Systems servers.

The ambition was to introduce resilient and scalable systems that would enable continued expansion, while also reducing operating costs. After an intensive study covering technical feasibility and cost efficiency, the Klinikum Chemnitz group found that consolidating on IBM Power Systems would ultimately lead to hardware investment cost savings of around 20 percent and operating cost savings of around 10 percent annually.

As part of its transformation to a dynamic infrastructure, the Klinikum Chemnitz group replaced eight HP servers with two IBM Power Systems p5-570 servers running the complete production landscape for both organizations. The group also implemented two IBM p5-550 servers to support other SAP applications, such as development and consolidations systems.



By replacing eight HP servers with IBM Power Systems, IBM System Storage DS4000 and IBM Tivoli Storage Manager, Klinikum Chemnitz achieved the Information Infrastructure, Business Resiliency and Security initiatives of IBM's Dynamic Infrastructure strategy. As a result, the company reduced operational costs, minimized system downtime and instituted flexible backup processes that ensure reliable access to business-critical data.

The Klinikum Chemnitz group also pursued a SAN based on IBM System Storage DS4000 systems to help ensure that its business-critical data was reliably accessible and introduced data mirroring that would ensure continuity even if a specific storage device became unavailable. What's more, by implementing IBM Tivoli Storage Manager Solutions across its entire SAP and non-SAP application environment, the group has been able to minimize system downtime and institute simple, cost-efficient backup processes that provide operational flexibility.

Klinikum Chemnitz's solution consists of:

- IBM Power Systems p5-570s and p5-550s
- IBM System Storage DS4000
- IBM Tivoli Storage Manager
- SAP for Healthcare solution

Klinikum Chemnitz achieved the following benefits:

- Achieved annual hardware investment and operational cost savings of 20 percent and 10 percent, respectively
- Minimized system downtime and instituted simple, cost-efficient backup processes that provide operational flexibility
- Ensured that business-critical data was reliably accessible by introducing data mirroring that helps maintain continuity even if a specific storage device became available



IBM Global Financing

With a complete range of business services, software and platform offerings that are sized and priced to meet your unique needs, IBM is dedicated to helping you maximize and maintain the value of your SAP investment.

What's more, IBM Global Financing gives you the flexibility to bring hardware, software and services from multiple vendors together in a single financing bundle – helping you preserve cash flow for other strategic investments and accelerate the creation of your dynamic infrastructure. IBM Global Financing provides predictable and fixed monthly payments, minimal budget impacts and lower TCO.

Conclusion

Businesses today need a dynamic infrastructure built to handle the requirements of a changing environment. One that delivers reliability, scalability, availability and security and is backed by people with both business and industry expertise.

When combined in your own unique dynamic infrastructure, IBM systems, middleware and storage and SAP software create a synergy in your IT environment that helps boost productivity and efficiency, while simultaneously protecting your data, enabling business growth and contributing to a low TCO. In other words, your IBM Dynamic Infrastructure in an SAP environment will help you reduce costs, improve service and manage risk as you position yourself to stay ahead in an increasingly challenging and unpredictable business landscape.



Compelling ROI Opportunities in Your SAP Environment

Earlier in this whitepaper, you read about six IBM customers running SAP technology that have been able to significantly reduce costs, improve service and manage risk by implementing their own, unique dynamic infrastructures. Now it's your turn!

Firstly, find out how IBM's Dynamic Infrastructure strategy can create greater efficiencies and improved TCO of IT in your organization through consolidation of your servers and storage. Ask your IBM representative about the offer of a free TCO assessment of your situation using the IBM Systems Consolidation Evaluation Tool.

Then, schedule an appointment for an IBM Systems Makeover Analysis for SAP Environments, and discover further benefits you can realize when an IBM infrastructure is powering your SAP solution. This assessment captures the dynamics of your SAP environment based on the answers you provide and produces a detailed report with compelling ROI opportunities, recommended migration paths and what the transformation process will take both in time and costs. For more information, visit:

www-03.ibm.com/systems/migratetoibm/services/sapmakeover/

And for more information about how your SAP solution can flourish in a dynamic infrastructure built on IBM systems and storage, contact your account manager or visit us on the Web at:

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