

TOP TO BOTTOM



END TO END

Alpine Electronics USA plans sales for next-generation mobile media technology with IBM Cognos and SAP

Overview

■ The Challenge

As well as marketing its in-car mobile media systems to consumers, Alpine also designs and manufactures complete, integrated systems for the automotive sector. To align with the long-term strategies of the automotive manufacturers, Alpine needs to be able to plan sales and production 2-3 years ahead.

■ The Solution

IBM Global Business Services leveraged its electronics and automotive industry expertise to design, deploy and manage a solution based on SAP Business Suite. Niteo, an IBM Business Partner, also helped to implement IBM Cognos Planning, which captures sales and budget data downloaded from the SAP NetWeaver Business Warehouse system at the Japanese headquarters location.

■ The Benefits

Enhanced process efficiencies have led to much more rapid access to business intelligence. By using SAP ECC, monthly financial closes can be completed up to 30 percent faster than before, and there has been a 40 percent reduction in operational workload for the finance department.

■ Key Solution Components

Industry: Electronics

Applications: SAP® Business Suite, including SAP ERP 6.0 with financial accounting, controlling, materials management and sales and distribution functionalities, SAP SCM, SAP Supplier Network Collaboration, SAP NetWeaver® Portal

Hardware: IBM® x3850 clustered servers

Software: IBM Cognos® Planning, Red Hat Enterprise Linux, VMware® vSphere

Services: IBM Global Business Services (Application Management Services), IBM Business Partner Niteo

Based in Torrance, California, Alpine Electronics USA Inc. develops and markets a wide range of leading-edge integrated mobile media entertainment, and navigation systems for mobile use. The company employs 300 people and has a separate sister company which has strong focus on research and development – continually striving to generate and enhance a new kind of in-vehicle experience, based on the convergence of high performance audio, video, navigation and telematics in the form of integrated mobile multimedia systems.

“Alpine operates under two separate business elements,” explains Mick Ono, Senior IT Manager at Alpine Electronics USA Inc. “The first is aimed at the after-market, working through retailers and representatives to sell products that can be fitted to existing vehicles. The second works directly with automotive manufacturers to integrate advanced mobile media solutions into new vehicles.”

Predicting future trends

“Working with the automotive manufacturers is a unique challenge: they are already designing vehicles



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Mick Ono, Senior IT Manager, Alpine Electronics USA Inc.

that will not reach the dealerships until 2012. To supply integrated mobile media solutions that will meet the needs of drivers and passengers three or four years in the future, we need to be able to plan sales, quantities and pricing a long way ahead.”

Without a single integrated enterprise resource planning and supply chain management solution, Alpine lacked the consolidated business data required for accurate long-term planning. By establishing a central database as a ‘single source of truth’, and by gaining the ability to collect and analyze data in real time, Alpine could understand its current position and sales history, and analyze market trends from other sources to help forecast its future direction.

Finding a way forward

“We were coming from a situation where our North American manufacturing and sales companies were separate entities, each with its own IT systems,” says Mick Ono. “We decided to consult IBM to find the best way to implement a single centralized solution that could manage our

operations and long-term planning processes from end-to-end.”

IBM Global Business Services performed a feasibility study to explore the unique requirements of Alpine’s business, and recommend both a target technology platform and a project management methodology that would ensure the success of the move to a fully integrated solution. Alpine then sent out a request for proposals to a number of leading business and IT consulting companies.

The need for industry-specific expertise

“We received four responses to our request for proposals, and IBM Global Business Services was by far the strongest candidate,” comments Mick Ono. “In addition to technical expertise, we wanted a partner that not only had experience in the electronics sector, but could also provide insight into the demands of the automotive sector, and IBM was one of the few companies that could deliver.

“IBM also has one of the most advanced project management methodologies for ERP implementations, called Ascendant. This gave us confidence that we could achieve this business transformation, fast.”

IBM Global Business Services designed and modeled a wide range of enhanced business processes for Alpine, helping to simplify and automate key workflows in the finance, procurement, sales and inventory management departments. These new processes are managed by applications from the SAP Business Suite, running under Red Hat Enterprise Linux and VMware on IBM x3850 servers.



End-to-end integration of business data

The solution provides an end-to-end process management framework, collecting and integrating data from a wide range of inputs, both digital and physical. Interfaces developed by IBM using the SAP NetWeaver Process Integration component enable Alpine to gather, process and seamlessly exchange data (future usage planning, purchase orders, inventory information and so on) with its local suppliers, its distributors and its largest clients.

This enables total traceability of each financial transaction and physical component throughout the supply chain – an ability that is highly prized by clients in the automotive industry.

With all key business data held in a single central SAP system, Alpine now has a reliable, accurate and accessible historical record of its entire business – which forms a basis for the creation of long-term planning and forecasting activities.

A clear view of business activity

The solution also delivers a wide range of other advantages. Since application support and strategic development is handled by IBM Global Business Services – Application Management Services, Alpine benefits from a highly cost-effective and scalable support model, reducing the need to maintain highly skilled SAP administrators and developers in-house.

IBM maintains the entire SAP environment, ensuring smooth business operation, configuring new business requirements as per standard SAP practice, providing end-user training for new users, and conducting monthly meetings with key customer

stakeholders to present the deliverables and project status reports.

IBM has also recently helped the company upgrade to SAP ERP 6.0, bringing its IT infrastructure into line with the parent company in Japan, and potentially paving the way for further ERP integration across the whole group. Keeping up-to-date with the latest SAP application releases also helps Alpine to minimize support costs and implement new functionalities as and when the business requires.

Since IBM provides an onshore/offshore support model by leveraging resources in both the US and India, development of the environment can continue 24x7.

Reaping the benefits

The end-to-end automation of key financial and sales processes has reduced workload for the accounts department by approximately 40 percent, and enabled monthly financial closes to be completed up to 30 percent faster.

“The ability to share the long-term future throughout business owners is very important to us, and it depends to a large extent on doing the simple things right: getting the right information in the first place and handling it reliably in our back office operations,” comments Mick Ono.

“Looking beyond the bells and whistles, you need to have a system that can manage your finances and supply chain effectively. SAP provides the building blocks of that system, and IBM Global Business Services continues to be a highly valued partner in our effort to improve quality and efficiency in all our business processes.”

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Mick Ono, Senior IT Manager, Alpine Electronics USA Inc.

TECHNICAL LANDSCAPE

Servers: IBM® System x 3850 clustered servers

Software: SAP® Business Suite, SAP NetWeaver® Portal, IBM Cognos® Planning, Red Hat® Enterprise Linux, VMware® vSphere



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