



Business Challenge

Tabicel aimed to expand its precast concrete materials business – but staff were constantly busy managing slow, inflexible IT systems, presenting significant barriers to growth.

Transformation

The company engaged IBM® Services™ and switched to cost-effective, high-performance, scalable IBM Cloud™ Bare Metal Servers to support its SAP business management software.

Business benefits:

50%
reduction in monthly
infrastructure costs

80%
boost in performance and
response times of business-
critical applications

30%
sales productivity increase

Tabicel

Increases sales productivity by 30 percent with IBM Cloud Bare Metal Servers

Founded in 1983 and headquartered in San Luis Potosí, Mexico, Tabicel S.A. de C.V. manufactures precast concrete. Employing approximately 300 people, Tabicel operates three facilities and four distribution points across the country, and is one of the industry leaders in the central and southern areas of Mexico.

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Jair Muñoz,
IT Manager,
Tabicel

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Building on sustainability

Being able to design, manufacture and distribute eco-friendly “green” products for building projects is increasingly identified as a key differentiator for manufacturing companies.

Jair Muñoz, IT Manager at Tabicel, explains, “If you want to open the door to new opportunities, sustainability of raw materials is a crucial aspect to focus on. Customers today no longer want just great quality products, they also require them to fit into a community-wide effort towards environmentalism – a concern that is more and more pressing in Mexico.

“We have long been leading the building industry in most parts of the country, and have now implemented a three-year growth plan to extend our reach to those areas that we are not operating in.”

To drive sustainable growth, Tabicel realized that it needed to invest more time as well as more financial and human resources into the design and planning of construction materials, which would minimize the impact on the environment.

“Pursuing our growth project soon turned into a challenge, because most of the resources we needed were not available and the technical teams were often busy managing the increasingly expensive, rigid and under-performing legacy cloud infrastructure that didn’t offer the scalability required to support our plans,” continues Jair Muñoz.



“Finding a better performing, more scalable and affordable Infrastructure-as-a-Service [IaaS] platform for our SAP landscape became the top priority within our mission to expand nationally.”

Growing organically in the cloud

The SAP® Business One® business management software at the heart of Tabicel’s operations enables the company to manage everything from finances to logistics, from inventory to production.

Tabicel was particularly keen to ensure that any move to cloud solutions would offer complete reliability as well as the scalability and flexibility benefits. After evaluating several IaaS solutions, Tabicel approached long-term partner [IBM Services](#) for assistance, which recommended [IBM Cloud Bare Metal Servers](#).

As part of the agreement, the IBM Services team offered additional remote monitoring, management, firewall, virtual private network and vulnerability assessment services, which provided the guarantees that Tabicel needed to feel comfortable with the move to the cloud.

“The coming together of experts from IBM Services and forward-looking technologies offered by IBM and SAP gives us great peace of mind that we can devote our efforts and resources to achieving our business growth in a truly sustainable and eco-conscious way.”

Jair Muñoz
IT Manager
Tabicel

“IBM’s packaged offering for SAP Business One was so wide-ranging and such great value for our money that it immediately looked like what we needed. If you add to the mix our past, successful collaborations with IBM and the trust we built over time, then you have a winning solution,” says Jair Muñoz.

Working with IBM, Tabicel migrated its SAP Business One environment to IBM Cloud Bare Metal Servers, sizing it to ensure hugely increased system performance – yet without capital outlay. Additionally, because IBM Cloud Bare Metal Servers provide massive scalability, Tabicel is able to add new functionality without the constraints and delays of fixed infrastructure.



Reduced monthly infrastructure costs by 50 percent



The company is in the process of implementing new systems for invoicing, customer relationship management and raw materials processing management, which are all connected to the company's SAP Business One platform.

"We can keep up with business demand to add systems in an affordable, flexible way because we now rely on latest-generation, forward-looking IaaS technology backed up by IBM," says Jair Muñoz.

Reaping the benefits of a future-ready solution

Significant performance and response time improvements allow Tabicel's staff to devote more time and resources to performing more valuable business activities.

Jair Muñoz specifies, "The amazing response time improvements of around 80 percent represents both technical enhancements and enables staff to work more quickly and productively.

"For example, reports are produced more quickly and reliably, and executives gain more accurate views on the different areas of the business more rapidly, helping them to make better decisions. People at every level have more time and better-quality resources to focus on activities that truly bring value to our sustainable business growth plan."

He continues: "In addition, IBM Cloud Bare Metal Servers have allowed us to implement local developments for new mobile solutions that connect directly to our SAP environment, without any impact on other systems or application response times. These mobile applications have contributed to sales productivity increases of around 30 percent."

Benefits in detail

- Reduced infrastructure costs by USD 25,000 monthly – a 50 percent improvement.
- Improved performance and response times of core business applications by 80 percent.
- Increased sales productivity by 30 percent.
- Generated USD 3,000 monthly savings in IT-related costs.
- Boosted business agility.

Key components

Applications: SAP® Business One®

Services: IBM® Cloud™ Bare Metal Servers, IBM Services™

Tabicel has also slashed the costs linked to infrastructure management, as Jair Muñoz explains, “In the past, every time that we needed to implement a new system we had to purchase, configure and deploy a new server, and this significantly increased capital outlays, complexity and delay.

“With IBM Cloud Bare Metal Servers, we can keep growing exponentially through self-service provisioning for virtual and bare metal servers without incurring capital expenses, and this has saved us approximately 50 percent in infrastructure costs. That’s USD 25,000 a month – and USD 3,000 monthly in other IT-related expenses.”

Jair Muñoz concludes, “The coming together of experts from IBM Services and forward-looking technologies offered by IBM and SAP gives us great peace of mind that we can devote our efforts and resources to achieving our business growth in a truly sustainable and eco-conscious way.”

About the IBM and SAP Partnership

The strategic shift to the cloud and to intelligent technologies isn’t easy, but it’s how businesses of all sizes will create exceptional customer experiences, uncover new revenue opportunities, optimize investments and fundamentally reinvent how business gets done. SAP and IBM offer the innovations and industry expertise to help.

SAP provides the world’s leading intelligent applications and technologies – connecting and clarifying the data that makes processes more nimble and decisions more powerful. IBM helps build smarter businesses and is a global leader in SAP transformations – offering in-depth industry experience, cloud and on-premise deployment expertise, and game-changing intelligent technologies.

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