



### Business challenge

This leading chemicals manufacturer needs deep visibility into operations to drive manufacturing excellence—how could it cut through complexity to boost business performance and reduce waste?

### Transformation

The manufacturer standardized and simplified its processes by moving to an integrated SAP ERP platform, enabling staff to make more informed business decisions rapidly, with 10 times faster reporting and 44 percent quicker system response times.

#### Business benefits:

**50% lower**  
total cost of ownership

**10x faster**  
report generation enables  
rapid insight into operations

**44% faster**  
response times  
streamline workflows

## Leading chemicals manufacturer Unifying operations and accelerating decision- making with IBM and SAP

This leading chemicals manufacturer produces and supplies paints, coatings and specialty chemicals to a wide range of industries and consumers around the world.

*"We chose IBM® DB2® because it promised to meet our needs at a very appealing price-performance ratio."*

Spokesperson

Leading chemicals manufacturer

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## Maintaining high standards

This leading chemicals manufacturer produces formula ingredients and additives used in the manufacture of everyday items. The company serves customers all over the globe, who have come to expect high quality and value.

To meet such high expectations, the company must ensure that every link in its operational chain runs as efficiently as possible. However, with staff and systems spread across many different business units, it was often a challenge to gain the fast insight required to boost business performance and profitability.

The company spokesperson elaborates: “We have relied on SAP ERP applications to run business processes for many years. The sheer size of our operations made it difficult to capture a rapid, consistent view of activity across the business area. We were concerned that the lack of timely insight could be causing us to miss out on opportunities to improve operational performance and cut wastage.”

Capturing operational insights was set to become even more difficult when, due to internal reorganization, company’s SAP application user base was expected to grow by several thousand users.

The spokesperson continues: “We were previously running our diverse SAP environments with data uncompressed on Microsoft SQL databases. Although we had not been experiencing any real performance issues, it became clear that our existing set-up was not well-equipped to handle such a large increase in the number of users. We knew that we needed a truly enterprise-grade solution that could support a sudden increase in scale.”

To add to its challenges, the leading chemicals manufacturer was also experiencing availability problems, often having to take the system offline for software upgrades, back-ups and patches. Recognizing the need to reduce downtime, and ensure high availability and reliability for users, the company looked for a stable platform it could rely on to keep operations running smoothly around the clock.

## Finding the right fit

To cut complexity, this leading chemicals manufacturer chose to consolidate all of its SAP instances to a single, central solution. Critical to the decision was the ability of the underlying database to meet the forthcoming challenges. The company ran a rigorous evaluation of potential solutions, ranking them according to the company’s specific requirements on reliability, performance, and cost.

The spokesperson explains: “We chose IBM DB2 over alternative solutions because it promised to meet our needs at a very appealing price-performance ratio. The strong reputation for reliability combined with advanced data compression and management made IBM DB2 a compelling proposition.”

The company’s attention then turned to finding the right server platform to run the new database solution. The spokesperson continues: “IBM Power Systems™ running IBM AIX® was the natural choice to support DB2. IBM AIX software can run a whole year with only a few updates. This enables us to keep the database and business processes running with far less scheduled downtime. What’s more, sourcing our database, operating system and hardware from a single vendor greatly simplifies system management.”

## Keeping costs down in the cloud

The company began the move to the IBM solutions by migrating its non-production systems to the new environment, scheduling a series of weekend projects to ensure month-end operations were not affected.

The spokesperson sets the scene: “Initially, we were concerned that the migration would leave our systems out of production for too long and run over into the working week, having a negative impact on the business. However, we were able to export and import the data in parallel so that the total migration per business unit was completed in just 25 hours. By ensuring a smooth transition, we were able to ensure that there was almost zero impact on business.”

Structured as a private cloud-based solution, the company’s central SAP ERP instance is hosted by a third-party contractor in two geographically separated data centers. Running on IBM Power Systems servers, the business area benefits from Capacity on Demand and is able to activate additional CPU and memory to handle spikes in demand and boost performance levels of its central SAP ERP system. With this, the leading chemicals manufacturer can scale both up and down according to anticipated demand.

“We only pay for what we use – a highly cost-effective solution, which contributes to our 50 percent lower total cost of ownership,” says the spokesperson. “The sheer scalability and flexibility of the Capacity on Demand solution means we are highly confident that the IBM solution will grow as our user base does.”

## Unprecedented performance

The spokesperson continues: “Most impressive, however, are the outstanding data compression rates that we have achieved. We initially calculated compression rates at 60 percent, but in fact database size with IBM DB2 has gone from three terabytes to 880 gigabytes, a compression rate of 70 percent, which is significantly higher than we had anticipated. The IBM DB2 solution certainly exceeded our expectations.”

Thanks to this compression, database-related processes can now be performed much faster.

“Data copies can be made up to 50 percent faster, while data back-ups now take just 50 minutes, compared to 4-5 hours in the past,” says the spokesperson. “This reduces the risk of over-running backups and interrupting availability.”

With a significantly reduced database size running a single SAP application, the company now has full copies of its production environment for test and development. With these copies readily available for business-critical application development processes, the IBM solutions help to ensure that the manufacturer is better able to stay ahead of its competitors.

The spokesperson states: “System response times have been cut from 900 milliseconds to an average of 500 milliseconds, a 44 percent improvement, and reports now run up to 10 times faster. With such rapid access to information available, employees are able to make better-informed decisions quickly. Streamlined workflows also potentially enable staff to work more efficiently. Improved performance levels have not only reduced administrative time and effort, making life easier for database administrators, but we are already hearing from users that the system has become so much faster.”

## Fast, flexible, future-proof

With a single SAP ERP instance running on IBM DB2, the company has gained a high-performance, highly scalable and reliable centralized solution. Today, the company benefits from a unified overview of operations, which enables a deeper, more comprehensive insight into business processes than ever before.

With three out of five of its business units successfully migrated, the company plans to standardize the remaining two on DB2 for SAP ERP.

The spokesperson concludes: “With business processes unified on a single SAP ERP platform, supported by highly reliable IBM technology, we are confident that we will be well-equipped for future growth and any other challenges that come its way.”

### Solution components

- IBM® Power Systems™ servers
- IBM AIX®
- IBM DB2® 10.5
- SAP ERP
- SAP Business Warehouse

### Take the next step

To learn more about IBM DB2 solutions, contact your IBM representative or IBM Business Partner, or visit the following website: [ibm.com/software/data/db2](http://ibm.com/software/data/db2)

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