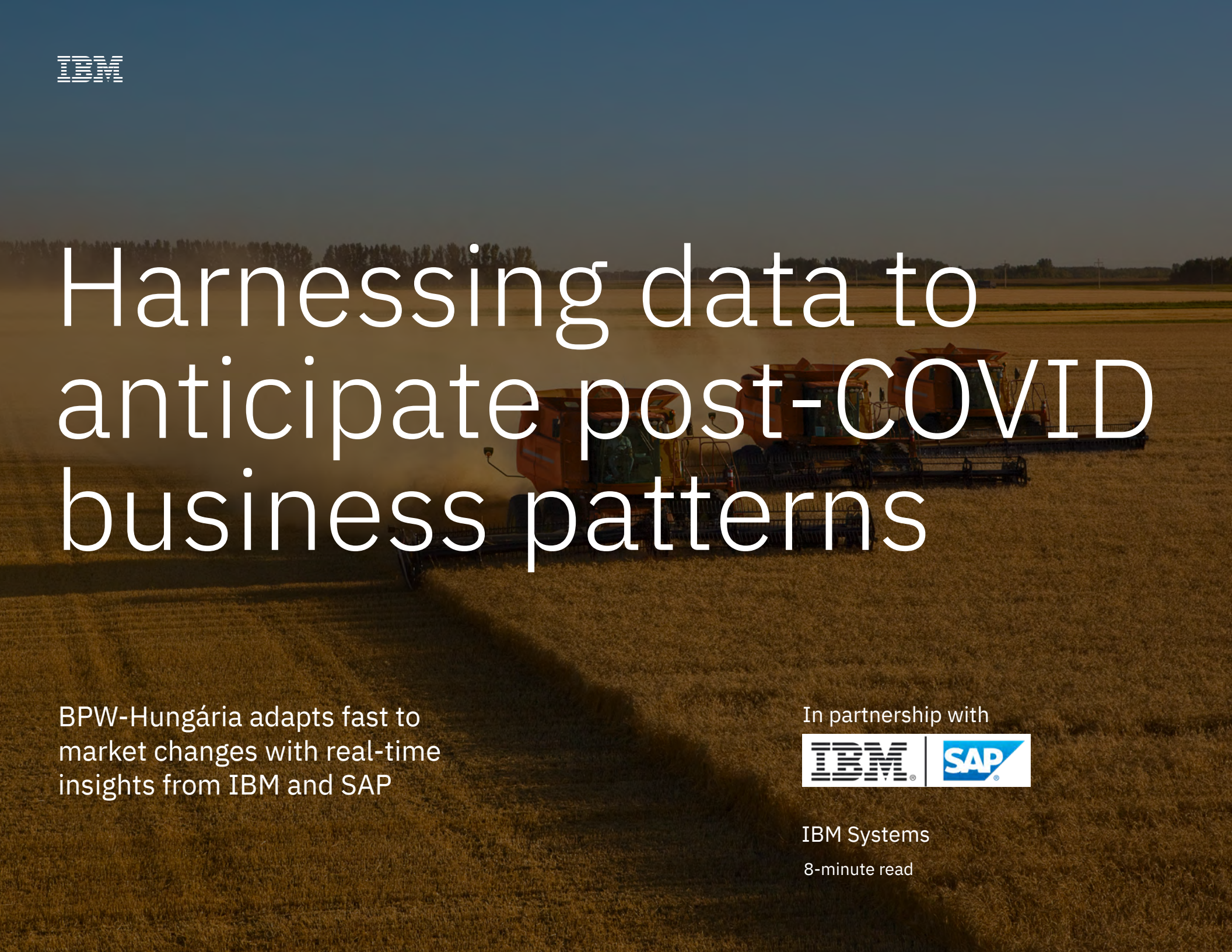


Harnessing data to anticipate post-COVID business patterns

BPW-Hungária adapts fast to market changes with real-time insights from IBM and SAP

In partnership with

IBM | SAP

IBM Systems

8-minute read

The world's farming industry is facing unprecedented challenges. On one hand, a rapidly growing population is driving up demand for food steadily year on year. On the other, a combination of agricultural labor shortages and increasingly extreme weather makes it more difficult for farmers to maximize crop yields.

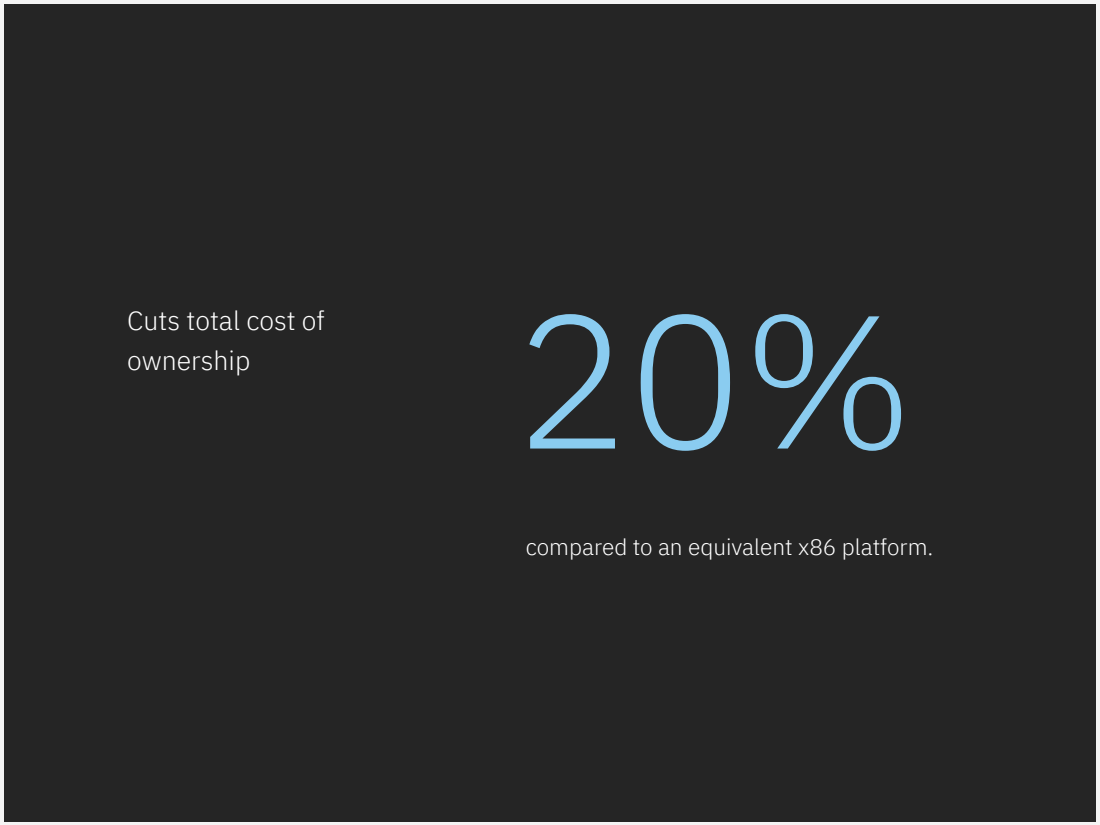
For more than two decades, BPW-Hungária—a division of BPW Bergische Achsen—has been at the forefront of developing high-quality running gear, bearings, braking and suspension systems for towed vehicles, particularly for the agricultural sector.

Because it operates sophisticated engineering processes with relatively long manufacturing times, BPW-Hungária aims to minimize delivery delays by optimizing its schedules based on projected customer demand.

"In the past, we relied heavily on manual processes to create forecasts and build our production plans," explains Zoltán Medvegy, IT Manager at BPW-Hungária. "While this approach had served us well for several years, the disruption of the COVID-19 pandemic highlighted its limitations. We wanted to increase the accuracy of our production planning process to help us respond flexibly to pandemic-driven fluctuations in business volumes."

To bring its vision to life, BPW-Hungária looked to integrate and automate its business processes wherever possible, replacing manual systems with real-time data that would enable predictive analytics.

"Our long-term aspiration is to extend automation everywhere: from our business administration systems to our real-world manufacturing operations," says Medvegy. "We looked for a way to plan our digital transformation journey to enable us to thrive in times of uncertainty."



Laying the groundwork for Industry 4.0

To lay the foundation for innovations such as business process automation and Industry 4.0, BPW-Hungária decided to replace its legacy applications with the next-generation ERP, SAP S/4HANA®.

“SAP is the preferred platform for advanced manufacturing businesses around the world, which gave us great confidence that the solution would help us realize our digital transformation objectives,” comments Medvegy. “Moreover, SAP S/4HANA is also the new platform for our parent and sister companies, offering the advantages

of group-level compatibility, data exchange and financial consolidation."

To maximize the benefits of its investment in SAP S/4HANA, BPW-Hungária looked for infrastructure with the performance, resilience and scalability to handle the demanding requirements of real-time analytics. After evaluating multiple platform choices, the company selected IBM® Power® E950 servers running SUSE Linux® Enterprise Server for SAP Applications, connected to low-latency IBM FlashSystem® 7200 storage. BPW-Hungária uses IBM PowerVM® to create logical partitions (LPARs) sized to offer optimal performance for its SAP S/4HANA applications, combined with IBM PowerVC to protect essential business data.

"By creating LPARs on IBM Power E950 servers using IBM PowerVM, we realized that we could achieve high levels of performance for our SAP S/4HANA applications with a significant reduction in server resources compared to an equivalent x86 platform," explains Medvegy. "We were also very impressed with the robustness of the IBM Power and IBM Storage platforms. By using IBM PowerVC, we have created a high-availability configuration that helps us ensure that our vital business data is always protected."

He adds: "Deploying SAP S/4HANA on the SUSE Linux Enterprise Server for SAP Applications operating system gives us the peace of mind that we are using the environment of choice for SAP's own developers—helping to ensure excellent compatibility and high levels of reliability."

Working with experts from IBM and IBM Business Partner Cascade Informatikai Es Energetikai Zrt., BPW-Hungária implemented the new solution at its on-premises data center in Hungary. In addition, the company has integrated and configured IBM FileNet® Content Manager as its enterprise content management repository for financial data.

"Partnering with IBM and Cascade Informatikai was a very positive experience," Medvegy recalls. "Cascade Informatikai helped us a great deal during the early stages of the project, and collaborated with our team to explore the architectural possibilities and make optimal design decisions. We have engaged Cascade Informatikai on previous projects, and this one was also a great success. The team provided us with all the resources we needed to stand up the new IBM Power and IBM FlashSystem environment and carry

out a successful migration to the new SAP S/4HANA solution."

Medvegy continues: "Our SAP S/4HANA deployment went smoothly, and we were very pleased with the close cooperation between IBM and Cascade Informatikai. The teams assisted us greatly with training on the new IBM systems, and helped us to go live on time and within budget. The flexibility of the IBM Power and IBM FlashSystem platforms played a key role in this success, as it was easy to make changes to our environment downstream when our requirements for the new SAP S/4HANA solution became clearer."

> "With IBM and SAP solutions, we are gaining deeper insights into our end-to-end business process, which will ultimately help us to offer a higher quality of service to customers across the agricultural industry."
>
> **Zoltán Medvegy**, IT Manager, BPW-Hungária

Reaping the benefits of integrated operations

With SAP S/4HANA running on IBM Power and IBM FlashSystem solutions, BPW-Hungária has gained the rock-solid foundation it needs to shift its digital transformation efforts into high gear. The company is now harnessing its newfound business process automation capabilities to enhance operational efficiency, and to better anticipate and adapt to fluctuations in the market caused by the COVID-19 pandemic.

“In the long term, real-time analytics from SAP S/4HANA will empower us to more closely align our sales forecasts with production and

logistics," states Medvegy. "The result will be improved cost-efficiency for BPW-Hungária and shorter lead times for our customers—helping us to ensure that they have all the equipment they need to meet the challenges facing the agricultural industry."

Crucially, with IBM Power and IBM Storage as its platforms for SAP S/4HANA, BPW-Hungária will gain these benefits at a significantly lower total cost of ownership (TCO) than comparable x86 platforms. "Over a five-year period, IBM Power and IBM FlashSystem offer BPW-Hungária a 20% lower TCO than an equivalent x86-based solution," Medvegy confirms.

Although its digital transformation journey is just beginning, BPW-Hungária is confident that SAP S/4HANA on IBM Power E950 servers is the optimal platform to realize its long-term Industry 4.0 aspirations. The company plans to implement Industrial Internet of Things (IIoT) sensor technologies on its factory floor, generating detailed operational data that will help unlock further efficiencies.

"We see that integrating our operations—both within BPW-Hungária and the group as a whole—will lead to improved flexibility, increased cooperation and a sharper competitive edge," concludes Medvegy. "With IBM and SAP solutions, we are gaining deeper insights into our end-to-end business process, which will ultimately help us to offer a higher quality of service to customers across the agricultural industry."

> "Our SAP S/4HANA deployment went smoothly, and we were very pleased with the close cooperation between IBM and Cascade Informatikai. The teams assisted us greatly with training on the new IBM systems, and helped us to go live on time and within budget."
>
> **Zoltán Medvegy**, IT Manager, BPW-Hungária

About BPW-Hungária

Founded in 1991 as a subsidiary of BPW Bergische Achsen KG, BPW-Hungária (external link) is a specialist manufacturer of heavy-duty running gear, bearings, braking and suspension systems for towed vehicles, particularly for the agricultural sector. Employing 1,500 people, the company manufactures over 130,000 vehicle chassis per year, and generates annual revenues of approximately EUR 240 million.

About Cascade Informatikai Es Energetikai Zrt.

Founded in 2011 in Budapest, Hungary, Cascade Informatikai (external link) is a specialist provider of data center solutions. With a service portfolio ranging from network integration to complex, multi-region data center deployments, Cascade Informatikai helps its clients architect the optimal infrastructure solutions to meet their business goals.

Solution components

- IBM® FileNet® Content Manager
- IBM FlashSystem® 7200
- IBM Power® E950
- IBM PowerVC
- IBM PowerVM®
- SAP S/4HANA®
- SUSE Linux® Enterprise Server for SAP Applications