

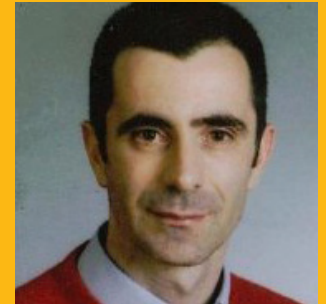


Business Challenge

Following Philips' decision to divest, Omni Remotes needed to build entirely new business processes and systems to support the newly independent company – all within a tight timeframe.

Transformation

Omni Remotes created slick new business processes based on robust SAP® Business Suite applications and the SAP HANA® database running on IBM Cloud™ Bare Metal Servers, supported by IBM Services™.



Miguel Vidal
Director of Operations
Omni Remotes

Business benefits:

93%

acceleration of setting up new vendors, driving faster time-to-market

50% faster

financial consolidation, with better data to fuel smarter decision-making

40% quicker

creation of critical reports such as new product introduction

Omni Remotes

Channel-hopping to success: Omni Remotes moves to SAP HANA solutions on IBM Cloud Bare Metal Servers

Omni Remotes is one of the world's leading providers of OEM remote controls, has produced over a billion remotes to date, offering more than 700 different models globally. The company is headquartered in Singapore and also operates in China, Belgium, Brazil, India, Taiwan and the United States.

"IBM understood our business and were able to offer us the scale and agility that we need to grow with our customers, through their end-to-end solutions."

Alain Perrot, Chief Executive Officer,

Omni Remotes

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Sparking major business transformation

Divestments can cause dramatic upheaval. When Philips decided to spin off its division that manufactures and sells remote controls for TVs, hi-fi and similar electronic equipment, the newly formed company – known as Omni Remotes – had to find its feet fast.

Miguel Vidal, Director of Operations at Omni Remotes, begins: “We were given a year from the date of the divestiture to start operating as an independent company. So within that period, we needed to unpick our operations from those of Philips, and find and deploy enterprise applications and an IT infrastructure to support our new business.

“In the past, we had managed our operations using the single instance of SAP that supports Philips’ entire global enterprise. Over the years, those SAP systems had been heavily customized to meet the needs of all of Philips’ diverse business units. What’s more, the solutions included sophisticated functionality that Omni Remotes – a much smaller, less diverse company – simply did not require.

“We knew that by switching to slimmed-down systems, we would be able to cut costs and take our business agility to new levels, sharpening our competitive edge. But most critically, we needed to get new business systems up and running before the looming deadline. We set out to find a vendor that could transform our vision into reality.”

Hitting the ground running

For support on its challenging undertaking, Omni Remotes turned to IBM.

“We selected IBM as a strategic partner based on our positive experience of working with them when we were part of Philips,” recalls Miguel Vidal. “From that time, the IBM team already had a good understanding of our business and processes, which was another major advantage. In addition, the IBM team dedicated significant additional time and effort to developing an even better understanding of our requirements, so we were confident that their proposal would tick all of the boxes. What’s more, IBM was one of few vendors that could offer support for all of our sites across the globe.”

Alain Perrot, Chief Executive Officer of Omni Remotes, adds: “IBM was a strong contender and eventually became our vendor of choice as they had a compelling value proposition. They understood our business and were able to offer us the scale and agility that we need to grow with our customers, through their end-to-end solutions.”

An expert team from [IBM Services](#) designed and deployed a range of SAP Business Suite applications, including modules for materials management, sales and distribution, production planning, finance and controlling. The IBM team also provided application support for the SAP go-live.

“We have undergone an all-encompassing business transformation, and we’ve emerged leaner, smarter and more agile. We couldn’t have done it without the superb support from IBM, the high-quality service from IBM Cloud Bare Metal Servers and the leading-edge technology from SAP.”

Miguel Vidal

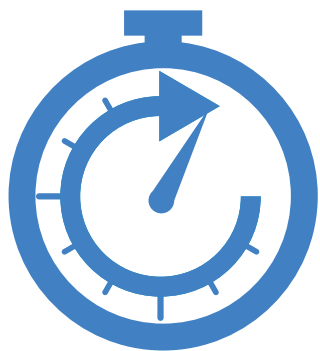
Director of Operations
Omni Remotes

Challenge in detail

Divestments are extremely complex procedures, yet they often need to be completed within tight timeframes. When Philips decided to divest its remote-control division, the newly formed Omni Remotes was given just a year to establish entirely new business processes and systems to support the new company.

With such a critical transformation to be completed by the looming deadline, Omni Remotes faced major upheaval. But there was a silver lining; the company’s newfound independence also represented a golden opportunity to simplify processes and systems, unlocking time and cost savings. The company set out to find a strategic partner that could provide support during the complex transition.

Vijaya Kumar, IT Manager at Omni Remotes, explains: “We evaluated enterprise applications from a range of vendors. Fundamentally, we decided to stay with SAP because it offered the capabilities we needed, plus headroom to grow in the future. In addition, our employees were already familiar with SAP and liked the platform, so we were able to avoid costly training.



93% faster
to set up new vendors, driving
faster time-to-market

“We decided to run our SAP applications on the SAP HANA database, because the SAP HANA platform has a strong, compelling roadmap. SAP has a treasure trove of upgrades and additional functionality in the pipeline, and all of them will be available on the SAP HANA platform.”

The IBM team designed a global SAP template based on Omni Remotes’ main geographies, focusing on reducing complexity in the customer sales and distribution model. By using a global SAP template, Omni Remotes was able to complete the roll-out to China at low cost.

IBM Services integrated the SAP applications and related management services on [IBM Cloud Bare Metal Servers](#), allowing Omni Remotes to benefit from cloud-enabled performance and scalability. The Omni Remotes office in Singapore hosts a disaster recovery site for the SAP applications.



Vijaya Kumar continues: “To keep costs down, we want to maintain an extremely lean in-house IT team, so a cloud solution was a perfect fit for our business. In addition, by freeing our IT employees from the burden of managing and maintaining an IT infrastructure, we would enable them to focus on our core business.

“Because we could simply plug into IBM Cloud Bare Metal Servers, we didn’t have to worry about designing, buying and setting up our own infrastructure from scratch. Given the tight deadline for completing the business transition, that was a massive advantage.

“As our business grows, we can simply request additional capacity when

needed – without facing the delays and complexity of having to expand our own set of physical servers. On top of that, for us, subscribing to IBM Cloud Bare Metal Servers worked out cheaper than operating our own data center.”

With stellar support from IBM, Omni Remotes was able to complete the complex switchover to the new environment smoothly. The company rolled out the new SAP landscape to its offices in Singapore, China, the United States and Belgium.

Miguel Vidal remarks: “Thanks to the excellent support from IBM, we implemented the new SAP solutions in just six months, hitting the divestiture deadline. What’s more, the IBM team showed us

Solution delivery

Omni Remotes turned to IBM for help on the journey. An expert team from IBM Services helped the company deploy a robust set of SAP Business Suite applications running on the SAP HANA database. IBM Services integrated the solutions on IBM Cloud Bare Metal Servers, enabling Omni Remotes to take advantage of scalability and performance of the cloud.

Thanks to the outstanding support provided by IBM, Omni Remotes was able to complete the SAP deployment within just six months and with zero disruption to commercial operations – a major success.

Benefits in detail

- Slashes the time required to set up new vendors by 93 percent, driving faster time-to-market
- Boosts data accuracy, helping to avoid incidents of over- and understocking
- Simplification of systems and processes sharpens business agility
- Real-time insights into financial figures and the supply chain fuel smarter decision-making
- Provides a strong roadmap, paving the way to mobile and more
- Eliminates the need for manual data transfer, enabling 50 percent faster financial consolidation
- Migration to the new set of SAP applications was completed in just six months, with zero disruption to commercial operations
- Opting for a managed solution enables the company to keep its in-house IT team extremely lean, minimizing costs
- Simplified system landscape helps to cut complexity and reduce the number of systems deployed, leading to reduced total cost of ownership
- Cutting the number of customizations and instead using standard SAP HANA functionalities leads to simpler upgrades and reduced implementation costs
- Taking advantage of IBM Cloud Bare Metal Servers helps to reduce costs compared with operating a data center

how to complete the migration with no disruption to commercial operations.”

Jean Ong, Business SIO Manager at Omni Remotes, comments: “My experience of working with the IBM team was outstanding. The consultants were very experienced and offered excellent support during difficult tasks, such as when we migrated our data from the Philips system to our new environment.”

Eunice Ng, Financial Controller at Omni Remotes, adds: “The IBM team showed us ways to simplify our systems and processes, and gain maximum utility using standard SAP functionality. As a result, we were able to avoid time-consuming customizations, which could have caused difficulties with future upgrades and expansions.”

Employees across Omni Remotes are delighted with the new SAP solutions running on IBM Cloud Bare Metal Servers.

Vijaya Kumar remarks: “IBM provides high performance to help us gain maximum benefit from our SAP solutions, and outstanding reliability to ensure that business-critical services are always available. By moving our SAP solutions to IBM Cloud Bare Metal Servers, we have cut our internal IT administration costs and workload, transforming us from purely operational to a strategic unit that helps the business achieve its goals.”

Finger on the pulse of the business

With help from IBM, Omni Remotes has transitioned to a slick set of SAP solutions and processes designed to suit its nimble business.

Miguel Vidal continues, “As a much smaller organization, we do not need many of the structures in place at larger companies. So after the divestment, rather than replicating the Philips system, we decided to rebuild only the elements we needed. We have been able to successfully reconstruct our business from the bottom up and transform into a slim-line, highly flexible new entity. By shedding this excess weight, we have taken our agility to new highs.”

When it was part of a larger company, Omni Remotes operated separate systems for areas such as procurement and research and development. The IBM team helped Omni Remotes bring these functionalities into the SAP scope, simplifying processes and the system landscape.

Vijaya Kumar elaborates: “Emerging trends – such as automated applications for managing home appliances, alongside sensor-based Internet of Things technology – promise to change the face of our industry. To stay ahead of the curve, we need a vibrant, innovative research and development department and a rapid time-to-market.”

“IBM provides high performance to help us gain maximum benefit from our SAP solutions, and outstanding reliability to ensure that business-critical services are always available.”

Vijaya Kumar

IT Manager

Omni Remotes

Jean Ong adds, “By bringing our research and development function along with the supply chain into SAP, we have been able to slash the time required for key processes. For example, it used to take around three weeks to set up a new vendor, whereas now, it takes just a day – that’s 93 percent faster.

“These improvements have been achieved through a combination of simpler processes and smarter decision-making, enabled by the solution designed by IBM and built on SAP technologies.

“Similarly, creation of critical reports such as new product introduction and Bill of Material is 40 percent faster. Ease and speed of product development is essential if we are to remain a market leader in R&D and innovation.



50% faster
financial consolidation, with
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decision-making

“As we achieve further improvements in these areas, we hope to accelerate our time-to-market, helping us capitalize on fresh opportunities for growth, and ultimately get exciting new products to customers even faster.”

Omni Remotes has also installed robust controls in its procurement process, ensuring that it accepts goods from only reputable suppliers, at agreed prices that cannot be adjusted or over-written once the deal is confirmed. These precautions translate into higher quality of finished goods, better customer satisfaction and lower procurement risk.

Additionally, by eliminating the need for additional applications, consolidating to integrated SAP solutions helps Omni Remotes reduce the total cost of ownership of its IT landscape.

Broadening the scope of the SAP landscape has also provided big wins for the finance team.

Jean Ong, Business SIOP Manager at Omni Remotes, explains: “When we were part of a larger company, finance data was spread across multiple disparate systems. To get an overview of figures such as costs and sales, we needed to manually compile data from the various systems and reformat it until we could see the information we wanted.

“That process was time-consuming, and a heavy reliance on manual working left a significant scope for error. Now, we have all finance information in a single system. As a result, we have eliminated the need for manual data transfer, helping us cut the time spent on financial consolidation by 50 percent.”

With around 200 new models being created each year, these financial controls are particularly important to Omni Remotes. Understanding the investment and production costs helps Omni Remotes price the products correctly, achieve the desired margins, and direct capital more effectively.

“What’s more, we can easily extract real-time figures and get an overview of what is happening across our different sites – in terms of both financial data and our supply chain. Those insights act as the foundation for smarter business decision-making. For example, we can check inventory levels against demand, and make any necessary adjustments. Similarly, we can gain insights into areas such as production costs and cost allocations to get a clearer picture of our business.”

Higher-quality data and greater transparency are helping Omni Remotes make its business smarter.

Miguel Vidal adds: “In the past, we sometimes suffered from problems such as inventory records not matching the stock actually in the warehouse. Additionally, we occasionally had problems stemming from poor supply chain visibility. For example, there were incidents when one region would reduce the quantity of an internal order, but because the other team didn’t get the message, they kept producing inventory and we ended up with excess stock.

“Now that SAP acts as a single version of the truth, errors like this are much less likely to occur. Ultimately, avoiding these kinds of mistakes helps us reduce waste and maintain efficient operations.

“What’s more, increased inventory accuracy helps us provide better customer service, because we can give customers more reliable information about whether their desired products are in stock.”

Building on its success, Omni Remotes plans to deploy SAP S/4HANA for logistics and financials. Its goal is to take advantage of the platform’s intuitive user interface and drill-down analytics for decision-makers. For example, managers will be able to monitor sales performance by first gaining an overview of global figures, then drilling down to see results in each country or region.



Key components

Applications: SAP® Business Suite on SAP HANA®, SAP S/4 HANA

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

Further ahead, Omni Remotes plans to take advantage of mobile technology. Specifically, the company aims to take advantage of SAP Fiori apps available with SAP S/4HANA, giving mobile data access to decision-makers and salespeople. This will further increase visibility of critical data and enable the company to accelerate processes such as approvals.

As it expands into these new areas and deploys further innovative SAP offerings, Omni Remotes will be able to count on the reliable, high-performance IBM Cloud Bare Metal Servers. The combination of SAP technology and the IBM Cloud capabilities will provide ultimate scalability as Omni Remotes expands in new countries and with new products.

Miguel Vidal concludes: "We have undergone an all-encompassing business transformation, and we've emerged leaner, smarter and more agile. We couldn't have done it without the superb support from IBM, the high-quality service from IBM Cloud Bare Metal Servers and the leading-edge technology from SAP."



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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