



### Business Challenge

Executives at Mondi wanted to gain answers to complex business questions, but massive data volumes were continuously slowing down the system. Could Mondi accelerate information analysis once more?

### Transformation

Mondi engaged IBM to perform the end-to-end migration of its SAP® Business Warehouse solution to the SAP HANA® Data Warehouse. In addition, Mondi is moving its SAP ERP systems to IBM® POWER8® servers.



**Rainer Steffl**  
Information Management  
Director  
Mondi Europe & International

#### Business benefits:

**3x faster**

reporting paves the way to smarter decision-making

**System**

downtime of just two days during migration, rather than the initial six

**200 hours**

saved every month, so staff can focus on reacting to insights

## Mondi Group

### Achieving unprecedented time-to-insight with IBM and SAP

Mondi is an international packaging and paper Group, employing around 25,000 people across more than 30 countries. The key operations are located in central Europe, Russia, North America and South Africa. In 2015, Mondi had revenues of EUR6.8 billion and a return on capital employed of 20.5 percent.

*“We are very happy with the service we receive from IBM and SAP and IBM Watson will be the game-changer.”*

Rainer Steffl, Information Management  
Director, Mondi Europe & International

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## Challenge in detail

In recent years, Mondi has expanded significantly – growing both organically and through acquisitions. This growth has caused data volumes and the number of people using its core SAP systems to skyrocket, putting immense strain on the company's enterprise-wide SAP Business Warehouse reporting system. But in the expanded company, reporting is more critical to decision-making than ever before – and to keep pace with the speed of business, it needs to be fast. How could Mondi accelerate time-to-insight for such massive quantities of data?

## Solution delivery

Mondi decided to migrate its SAP Business Warehouse applications to the cutting-edge SAP HANA Data Warehouse, which enables ultra-fast reporting. IBM Global Business Services and IBM Global Technology Services optimized the migration process, enabling the cut-over to be completed with system downtime of just two days, rather than the initial six. As a result, the migration was completed over just one weekend with zero disruption to operations.

Next, Mondi will migrate its SAP ERP applications to the latest IBM POWER8 servers, which provide tremendous performance. To achieve greater infrastructure simplicity and to further accelerate reporting, the company is looking into further Proof of Concepts that will be executed on the POWER8 platform.

## Explosive growth

Packaging and paper specialist Mondi has achieved enormous success in its industry. Having grown rapidly both organically and through acquisitions, the company posted a record year in 2015.

To enable managers to easily measure consistent key performance indicators (KPIs) from year to year, Mondi integrates acquired companies into its core SAP ERP systems, which include customer relationship management and supplier relationship management, as soon as possible. As a result, data volumes and user numbers for the SAP applications have swelled dramatically.

Mondi aggregates data from each business segment's instance of SAP ERP into a central SAP Business Warehouse solution, to enable a single source of truth for enterprise-wide reporting and analysis. As the data repository grew, system response times started to suffer, and staff sometimes had to wait a significant time for specific reports.

Rainer Steffl, Information Management Director, Mondi Europe & International, explains: "Detailed reporting and analysis is more important to decision-making than ever – and to match the pace of business, it needs to be fast. We recognized that sluggish report generation threatened to dull our competitive edge.

"What's more, we wanted to broaden the scope of our analyses and make our predictive models even more accurate. Ultimately, we wanted to be able to answer increasingly complex questions, such as: How can we increase return on capital? Why is this manufacturing plant more profitable than the others? In which

markets are we most likely to achieve growth? Where should we make our next acquisitions?"

"To gain rapid access to insights like these, we would need to store and analyze even larger data volumes extremely quickly. We set out to find a solution that could deliver the capabilities we needed."

## Achieving a seamless migration

Mondi decided to migrate its SAP Business Warehouse system to the leading-edge SAP HANA database, which uses columnar structures to enable lightning-fast data analysis.

For expert support during the complex migration, Mondi chose to engage an external partner, and selected IBM Global Business Services®.

Rainer Steffl comments, "Because we have been working with IBM for over ten years on around 30 different projects, we decided to approach IBM immediately. We have built up enormous mutual trust between our IT team and IBM, and over the years IBM has consistently demonstrated that it offers outstanding expertise and the best value for money.

"In addition, unlike many other SAP projects, the migration to SAP HANA requires extremely close collaboration between application and infrastructure teams. Since we had recently renewed a five-year contract outsourcing our data center operations to IBM, it made perfect sense to ask the same provider to manage the SAP HANA migration."

"IBM Watson will be the game-changer. We plan to run IBM Watson on top of SAP HANA to deliver actionable insights even faster."

### Rainer Steffl

Information Management Director  
Mondi Europe & International

A dedicated team of twelve people from IBM Global Business Services in Austria provided consulting and solution design services for the migration. A further team from IBM Global Business Services – Application Management Services based in India manages Mondi's SAP applications, and rolled out the solution across Mondi's global business.

In addition, five experts from IBM Global Technology Services® – Integrated Technology Services performed the migration of the existing Oracle database to an entirely new SAP HANA environment.

"We originally anticipated that we would complete the migration with system downtime lasting six days, which would inevitably have disrupted our commercial operations," recalls Rainer Steffl.

"IBM Global Business Services helped us optimize the migration process so that we needed only two days of downtime. That

was a remarkable success, because it meant that the outage took place over a weekend, so there was zero disruption to the business.

“On the Monday morning following the SAP HANA go-live, everyone was holding their breath. The SAP Business Warehouse solution is used by employees at all levels of the business including senior executives every day to guide decision-making, so if something wasn’t working, we would need to fix it fast. But in fact, rather than complaints we received brilliant feedback from users who were delighted about how much faster their reports were running.”

Rainer Steffl continues: “Our experience of working with IBM on the migration to SAP HANA was excellent. The IBM team was highly professional, extremely organized and very much focused on solving our business challenges.

“What’s more, SAP was involved from day one. The SAP team assisted us during the test period, conducted quality reviews after each important milestone, and helped us find fast fixes for any glitches we encountered.

“The application and infrastructure teams from Mondi and IBM worked hand-in-hand with product experts from SAP throughout the migration process. Thanks to this close collaboration, we achieved a textbook migration – everything went exactly as planned.”

Tasking IBM Global Business Services – Application Management Services to manage its data centers enables Mondi to benefit from excellent reliability and performance without the burden of day-to-day system administration.



“We outsourced our application management operations to IBM Global Business Services – Application Management Services years ago, and we’ve never looked back,” remarks Rainer Steffl. “We work with various IBM teams spread all over the globe, and they all collaborate brilliantly to give us an excellent service. Because of our long-term relationship with IBM, there is mutual trust between the teams and excellent coverage from the IBM management team. I am a very happy customer.”

To boost performance and gain greater flexibility, Mondi is planning to migrate its 16 productive SAP applications from the existing POWER7® platform to state-of-the-art IBM Power Systems™ E870 servers.

“IBM Power Systems provides a high-performance, ultra-robust platform for our mission-critical SAP ERP systems,” comments Rainer Steffl. “We plan to execute further Proof of Concepts

on the POWER8 hardware such as SAP ERP powered by SAP HANA to explore options for further increasing flexibility, continuous improvement of reporting performance and further simplification of our infrastructure.”

To support its mission-critical SAP environment, Mondi relies on cutting-edge IBM storage technologies. The production environment is a tier-one storage on enterprise storage IBM DS8000, while the non-production landscape is supported by an IBM Storwize® V7000 machine. Mondi is looking forward to further improving storage performance by using an IBM FlashSystem® 900 device. The company takes advantage of the Easy Tier® functionality of Storwize V7000 to ensure that frequently accessed data is stored on ultra-fast solid-state drives (SSDs), while data used less often is automatically transferred to more economical disks. As a result, Mondi optimizes the price-performance ratio on its storage environment.

## Benefits in detail

- Three times faster report generation on average, with some reports completing up to 400 times faster, delivering unprecedented time-to-insight
- 200 person-hours saved every month, freeing up time for staff to devise savvy reactions to the fresh insights they are unearthing
- Encourages staff to use hard data to drive smarter decision-making
- Seamless migration involved just two days of system downtime, rather than the initial six
- Switchover completed with zero disruption to the business
- Supports Mondi’s roadmap to further increase its use of analytics

## Key components

**Applications:** SAP® ERP, SAP Business Warehouse, SAP BusinessObjects™

**Software:** SAP HANA®

**Hardware:** IBM® Power Systems™ E870 servers, IBM FlashSystem® 900, IBM Storwize® V7000

**Services:** IBM Global Business Services®, IBM Global Business Services – Application Management Services, IBM Global Technology Services®

Rainer Steffl adds: “We rely exclusively on IBM storage, because it provides superb performance and reliability for business-critical applications such as our SAP systems.”

## Enabling speed-of-thought analytics

Mondi was already mature in terms of business intelligence. However, for executives at Mondy, upgrading to SAP HANA has enabled faster, more convenient reporting.

“On average, reports complete three times faster than before,” explains Rainer Steffl. “One report is a remarkable 400 times faster than before, while 20 reports are over 100 times quicker, and 185 reports complete between 10 and 100 times faster than before.

“In the areas where we were already using SAP Business Warehouse Accelerator, reporting is on average 2.2 times faster, while in other areas, report completion is on average 3.5 times faster. These are exceptional achievements, because business users can gain rapid insight into

their data. By reducing the time that these employees spend preparing their queries and waiting during system response times, we are saving 200 person-hours per month. That frees up more time to allow people to perform detailed scrutiny of the figures, and react to their findings.”

Rainer Steffl continues: “The impact has been particularly noticeable in monthly executive meetings. Every second saved on report generation is much appreciated, because it helps managers make important decisions faster, and work more productively.

“Keeping our SAP Business Warehouse application available and running fast is vital, because it’s the source of every single report that senior executives use to support decision-making,” comments Rainer Steffl. “Even short delays or brief downtimes can have a severe impact on our business. Because SAP HANA provides an extremely reliable platform for the SAP Business Warehouse solution, we have peace of mind that everything will continue working as it should.”

With the ultra-powerful IBM and SAP solution in place, Mondy is now searching for new ways to further sharpen its competitive edge.

“We are very happy with the service we receive from IBM and SAP. These companies give us innovative solutions that underpin our entire business, and for over a decade IBM has helped us complete complex technology projects that deliver real value to our business. With IBM and SAP at our side, we can achieve our dreams.”

### Rainer Steffl

Information Management Director  
Mondy Europe & International

“Next, we plan to combine data from sensors on our manufacturing equipment with commercial information such as sales figures,” adds Rainer Steffl. “Traditional business intelligence solutions are not

capable of handling the kind of data volumes we’re talking about, but with SAP HANA and IBM POWER8 we will be able to gain valuable insights to help us boost profitability.”

As a next step, Mondy is planning to further explore the potential of cognitive computing to boost efficiency.

“We are currently running a Proof of Concept with IBM Watson,” adds Rainer Steffl. “With SAP HANA we can combine sensor data with commercial data to drive analytics in the area of real-time costing and optimization of production. We believe that IBM Watson technology will enable us to bring intelligent applications on top of that data. We also believe that, since we have a huge amount of data, technology is much smarter in finding correlations than humans could ever be. IBM Watson will be the game-changer. We plan to run IBM Watson on top of SAP HANA to deliver actionable insights even faster.”

Rainer Steffl concludes: “We are very happy with the service we receive from IBM and SAP. These companies give us innovative solutions that underpin our entire business, and for over a decade IBM has helped us complete complex technology projects that deliver real value to our business. With IBM and SAP at our side, we can achieve our dreams.”

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