

TOP TO BOTTOM



END TO END

OSRAM SYLVANIA consolidates its SAP software environment to IBM System p

Overview

■ The Challenge

With the end of support for Alpha servers and the Tru64 operating system, OSRAM SYLVANIA was keen to find a strategic infrastructure solution for its mission-critical SAP applications, ahead of a planned upgrade to SAP ERP 6.0. The company wanted a flexible, highly reliable system that would remain viable for more than five years and offer lower operational costs.

■ The Solution

OSRAM SYLVANIA replaced its SAP software environment of 48 Alpha servers with nine IBM System p servers running IBM AIX, utilizing Advanced POWER Virtualization to share the processors across multiple partitions. IBM and OSRAM SYLVANIA completed this migration two weeks ahead of schedule and under budget.

■ The Benefits

Batch times reduced by a factor of five, user response times cut by half, service to the business dramatically improved. Fewer servers means lower administration, maintenance, power, cooling and license costs – resulting in a significant saving. Virtualization technologies enable introduction of new application workload without additional capital expenditure. New hardware provides capacity for planned upgrades, such as the introduction of Unicode.

■ Key Solution Components

*Industry: Manufacturing
Applications: SAP® R/3® Enterprise, SAP ERP 6.0, SAP NetWeaver®
Business Information Warehouse 3.1
Hardware: IBM System p5™ models 570, 550
Software: IBM AIX® 5L™, IBM HACMP™, Oracle database
Services: IBM Global Business Services, IBM Global Technology Services*

OSRAM SYLVANIA is a leader in lighting solutions and specialty products that feature innovative design and energy-saving technology. The company sells products for homes, businesses and vehicles primarily under the SYLVANIA brand name, and also under the OSRAM brand. Headquartered in Danvers, Massachusetts, United States, OSRAM SYLVANIA is the North American operation of Osram GmbH, a wholly owned subsidiary of Siemens AG.

A long-time user of SAP software on the Tru64 platform, OSRAM SYLVANIA was keen to take advantage of the integrated business processes supported by SAP applications such as materials management, financials, supplier relationship management, customer relationship management, and sales and distribution. The end of support for Tru64 computing forced the IT team to review the long-term platform strategy, and they seized the opportunity to reconsider the SAP software landscape, too.

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Jeffrey Ruck
Director of IT Infrastructure Services
OSRAM SYLVANIA

John Lennerton, Manager of Servers and Storage, comments, “We use almost every SAP application you can think of, the only exception being human resources. The end of the Alpha platform and the termination of Tru64 presented us with a serious challenge: we like to keep essential business systems fully current, with supported infrastructure, and follow the vendor’s lifecycle management program.

“The SAP software landscape had grown arms and legs over time, with more than 50 servers, both Alpha and Microsoft Windows. In many cases we were nearly at capacity, with no way to upgrade.”

Finding a technology partner

With pressure from the board to find significant operating cost reductions, three suppliers were invited to propose new IT infrastructure solutions.

Jeffrey Ruck, Director of IT Infrastructure Services, reports, “Changing platforms involves

business risk. Not only did we want lower costs, but also we were seeking a five-year strategy. After a 12-month review process, OSRAM SYLVANIA selected IBM – we were convinced that IBM offered the best support for the transition, the best technology for operations, and the best strategy for long-term development.”

John Lennerton adds, “Balancing the demands of price and performance, IBM was able to demonstrate the advantages of the IBM Virtualization Engine and the stability of the AIX operating system. IBM helped us see how the solution would provide operational benefits, while the development program behind the POWER processors gave us confidence that this was the right business strategy to support OSRAM SYLVANIA in the long term.”

Leading-edge technology platform

OSRAM SYLVANIA migrated its SAP software environment from a 48-server Alpha landscape to nine IBM System p servers, including p5-550 and p5-570 models running AIX version 5.3. For the SAP database server, OSRAM SYLVANIA replaced 24 Alpha processors with seven IBM POWER5+ processors, providing enough capacity to handle not only the current workload, but also the planned Unicode upgrade and five years of projected growth.

The IBM System p5 570 servers have been configured using IBM High Availability Cluster Micro-Processing (HACMP) to provide a highly resilient and flexible SAP software infrastructure. IBM Global Technology Services helped OSRAM SYLVANIA deploy the servers at two locations: Danvers, MA (primary) and



Manchester, NH. Each data center is capable of supporting operations in case of disaster, with HACMP managing the workload distribution.

John Lennerton remarks, "System response is twice as fast, even though our CPU footprint has been reduced by a factor of four. With SAP software on the IBM System p servers, OSRAM SYLVANIA is able to deliver better business results with less power and less cooling, and with significantly lower license costs. The administration and maintenance savings gained by moving the SAP software and other applications from 55 to 16 servers have helped reduce operational costs, and as we move further into virtualization we expect to be able to increase workload without investing in new servers.

"The 16 System p servers support some 4,000 users, with a peak of around 1,500 concurrent users accessing 3TB of data. Despite this relatively heavy workload, the IBM infrastructure delivers response times of less than 600ms for the SAP software environment."

Jeffrey Ruck says, "For example, we now serve the call center in Indiana (which handles thousands of customer enquiries) with consistent sub-second responses when searching for products. The IBM System p servers give us the headroom to manage greater work volumes without any increase in equipment, reducing capital expenditure and improving the return on the original investment.

"With the previous system, batch jobs such as stock transfer orders, were a challenge to finish on time. With the IBM System p infrastructure we are

literally hours ahead of schedule. In one case the batch has decreased from five hours to one hour, which really surprised our users the first time we ran it. This level of performance gives us the ability to discover problems early, take action, and continue to meet our business commitments."

A flawless migration

Migrating from the expiring Alpha platform presented a serious business risk to OSRAM SYLVANIA, with all the Tru64-based SAP applications due to be moved. It was essential to trust in IBM's ability to complete the mission-critical application migration, and OSRAM SYLVANIA was sure that it had chosen the right partner for this complex project.

The direct involvement and experience of the IBM Global Business Services (GBS) Migration Factory team gave OSRAM SYLVANIA great confidence in choosing the IBM solution.

John Lennerton says, "The IBM GBS Migration Factory team spearheaded the project, which involved a phased transition from development through QA to production. We knew very early that we were in good hands. The IBM GBS Migration Factory team exceeded all of our expectations and did its job flawlessly. Not only that, we finished two weeks earlier than scheduled and were under budget."

Jeffrey Ruck adds "After the project had actually started, we challenged the team to finish before quarter-end, giving us just six weeks to complete testing. Being able to deliver the new system early was very welcome to the business groups. IBM did everything it said it would do, which is something you don't get too often from suppliers.

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Our experience is that when IBM does something, IBM does it right.”

On the go-live weekend, OSRAM SYLVANIA's distribution centers were informed that systems would be off-line until 10pm. The usual preparation for the working week would have to wait until the migration was complete. In fact, the IBM and OSRAM SYLVANIA combined teams commissioned the new SAP software and IBM System p landscape fully nine hours early, and the distribution centers were able to restart on time.

“People often view this kind of system changeover negatively; but thanks to the results we have achieved it has been hailed as a really big success,” comments Jeffrey Ruck. “Working with the IBM team has exceeded our expectations in every way.”

Taking a long-term view

The OSRAM SYLVANIA team admits to being initially hesitant about deploying virtualization technologies for its SAP applications. The new SAP software is initially a like-for-like replacement, and over time the company will start to take advantage of the new functionality of SAP ERP applications. Doing so will inevitably increase the processor workload, and long-term scalability is a key issue for OSRAM SYLVANIA.

“We pride ourselves on offering high-quality and effective IT services at low cost,” says Jeffrey Ruck. “We are starting to deploy the more advanced virtualization features to allow us to share workload on the existing

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landscape without additional capital expenditure, and we are planning the next software step, to SAP ERP 6.0.”

In the near future, SAP applications such as customer relationship management that currently run on the Microsoft Windows platform will be migrated to the System p servers, as will other non-SAP applications.

“The combination of the advanced features of SAP ERP and the flexibility and scalability of the System p servers will combine to deliver ongoing competitive advantage to OSRAM SYLVANIA, through better business performance and lower operational costs,” concludes Jeffrey Ruck.



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