TRILUX: Faster and More Flexible Sales Planning and Forecasting with SAP HANA®

Partner

Executive overview

Company

Vision

Why SAP

Solution

Benefits

Future plans

Company
TRILUX GmbH & Co. KG

Industry
Manufacturing

Products and Services
Lighting products and solutions

Employees
>5,000

Web Site
www.trilux.com

SAP® Solution
SAP HANA® platform

Partner
G.I.B Gesellschaft für Information und Bildung mbH
www.gibmbh.de

TRILUX GmbH & Co. KG has been lighting the world since 1912. To stay among the leaders in the highly competitive lighting market, TRILUX had to improve its sales planning and forecasting process, which was impacted by the large volume of data involved. Thanks to unmatched speed and analytical capabilities, the SAP HANA® platform provided **faster processing, more flexibility, and greater accuracy** in sales planning and forecasting, giving TRILUX a technology platform as innovative as its products.

Custom-designed solutions for simply perfect light

TRILUX, founded in 1912, is a global manufacturer of lighting solutions. The company is among the leaders in its sector and has more than 5,000 employees at seven facilities worldwide, including 1,500 at its headquarters in Arnsberg, Germany. TRILUX offers customized, innovative, and sustainable solutions for indoor and outdoor lighting, ranging from state-of-the-art light and control technology to highly sophisticated luminaires in terms of technology and design. The company has substantial in-house manufacturing capabilities and produced more than 2.2 million luminaires in 2014. It also offers training, support, consultation, and planning services.

Targeted expansions and strategic partnerships have built TRILUX into a corporate group with many specialties, such as lighting for industrial and health-care sectors as well as energy-efficient architectural and pathway lighting. TRILUX has expanded its operations throughout the world, into Europe, Asia, North America, the Pacific region, and the Middle East, and its turnover has increased by 67% over the last seven years.

2.2 million

Luminaires produced in 2014

Sales planning and forecasting at the speed of light

To keep its position among the key players in the highly competitive and innovative lighting market, TRILUX must continuously improve its operational processes, especially for sales planning and fore-casting. To sharpen its competitive edge, TRILUX calculates its needs using various dimensions, such as historical sales data, causal factors, marketing campaigns, market information, and sales targets. Calculations involve large and continually increasing amounts of data.

In 2010 the company implemented G.I.B Dispo-Cockpit Forecast (DCF), an add-on for the SAP® Supply Chain Management (SAP SCM) application from G.I.B Gesellschaft für Information und Bildung mbH, an SAP software solution and technology partner and a logistics solutions provider. As a sales planning and forecasting tool, DCF supports decentralized planning and provides functionality for consolidation in a central planning monitor. Since the launch of DCF, TRILUX has been using its rolling sales planning functions to optimize its production plans and applying the forecasting functions.

TRILUX has about 50,000 active sales products that are projected on a rolling basis for approximately 15 sales organizations over a horizon of 12 months. With each run, the forecast module generates about 9 million planning records that are then processed in the SAP ERP application.

This large data volume was impacting the perfor-mance of the SAP solution. So users gave the IT organization at TRILUX a simple but challenging requirement: It must go faster – at the speed of light.

9 million
Planning records processed by SAP ERP at each run

Big Data is not a big problem with SAP HANA

TRILUX has been an SAP customer for more than 30 years. SAP software – with market-leading solutions such as the SAP ERP application, SAP SCM, the SAP Business Warehouse application, and search and classification functionality with the SAP NetWeaver® technology platform – represents the centerpiece of TRILUX's IT strategy, supporting almost all operative processes. The software landscape comprises a significant custom development footprint, with more than 4,000 reports – 1,800 of them still productive – and about 1,700 tables.

Users of DCF associated the processing of large amounts of data and the display of complex planning scenarios with extremely long wait times. However, from the beginning, TRILUX knew it could solve the problem with the appropriate technology. In a company driven by innovation and highly experienced with SAP software, the IT organization recognized quickly the potential offered by the breakthrough and innovative technology of SAP HANA – a fully fledged relational database that enables simultaneous handling of transactions and analytics in real time.

SAP HANA, with the combined capabilities of an in-memory database, data processing, and application platform, is unique in its ability to handle large data volumes and a variety of structured and unstructured data with extreme speed. The platform provides a powerful suite of libraries for predictive, planning, spatial, text mining, and business analytics.

The unmatched solution scalability and the technical skills and industry expertise of the SAP Services organization and G.I.B from the SAP partner ecosystem were factors that made the acquisition of SAP HANA a natural choice to handle the business-critical performance issues TRILUX was facing.

Fast sales planning and forecasting with SAP HANA as catalyst

To rapidly improve the existing system while minimizing the implementation effort and any related risks, the company chose a side-by-side deployment of SAP HANA and specific business-critical applications.

TRILUX accelerated some of its SAP ERP processes with SAP HANA in 2013. To improve sales planning and forecasting, DCF was moved to SAP HANA in January 2014, a process that was completed within a very short time to quickly gain much faster processing.

"It is not a simple side-by-side approach" explains Nikolaj Schmitz, head of IT at G.I.B. "Our forecast module was adapted to the logic of SAP HANA. As a result, we can fully leverage the advantages of in-memory technology."

Within just four days, DCF was deployed to the new platform, adapted according to TRILUX requirements, and switched to the live system. The primary data persistence of the central functions of DCF was changed

to SAP HANA, the tables were loaded into SAP HANA, and the related customizing entries were maintained. The positive results were not long in coming.

With its ability to process large amounts of data at extreme speed, SAP HANA supports processing scenarios of any depth, any detail, and any scope, scenarios that could not be implemented previously due to performance bottlenecks. These scenarios include mobile access as well as almost limitless depth and breadth of analyses.

4 days
To deploy DCF to the new platform

6 / 8

Speed, more flexibility, and greater accuracy with SAP HANA

The migration of G.I.B Dispo-Cockpit Forecast to SAP HANA significantly improved system performance. Formerly long-running processes are much faster and show incredible performance improvement. With this first-level optimization, the duration of the planning and forecasting process, which took up to 36 hours, was reduced by up to 50%. Thanks to the shorter duration, planning data can be updated weekly, rather than monthly.

With its ability to handle large amounts of data at extreme speed, SAP HANA brings substantial improvement in the sales planning and forecasting process. SAP HANA not only accelerates the process, but it also enables TRILUX to become more agile in responding more effectively and in real time to changes in the business environment.

High performance boost: Accelerated data processing allows users to avoid processing bottlenecks and being stuck in one activity. Instead, users quickly process required tasks and then move on to other tasks.

More flexibility through shorter cycles: The performance boost means more than just running an

evaluation faster and getting insights more quickly. It also gives users the ability to run evaluations more often, as needed, to gain new insights and adapt to changes more rapidly.

Greater planning accuracy: More data can now be included in evaluations, and the complexity of planning scenarios has been increased, thanks to the capabilities of SAP HANA.

These factors lead to higher-quality planning – creating a stronger basis for better decision making.

"Moving DCF to SAP HANA cut the runtime of forecasting and planning by about 12 hours. Because we can execute planning more rapidly and run more frequent updates, we can respond more dynamically to change. We have higher quality planning with less work."

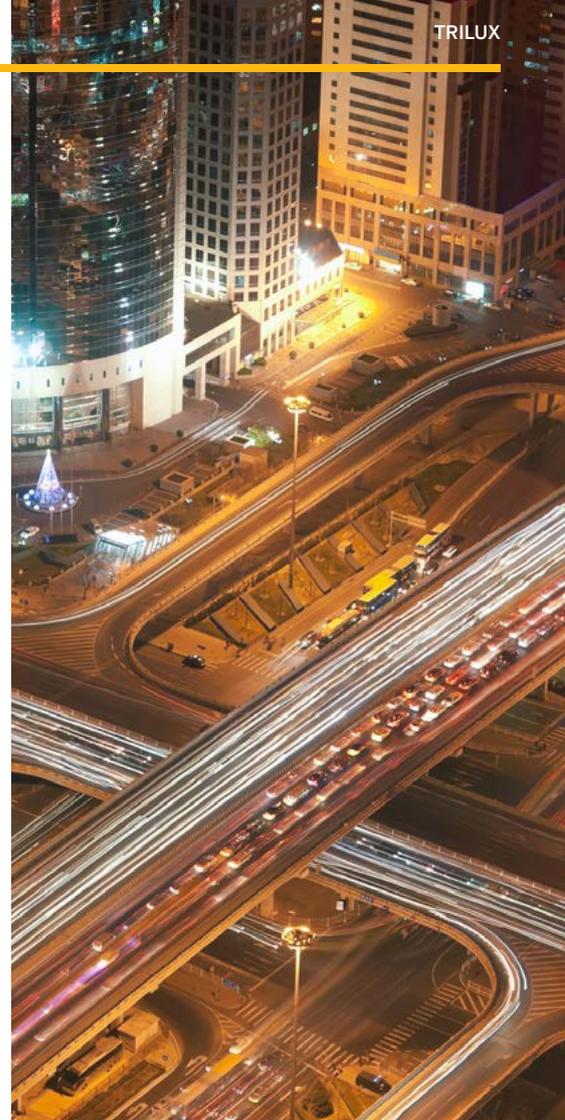Stefan Renk, Head of Supply Chain Management Processes, TRILUX GmbH & Co. KG

7 / 8

Ready for new opportunities

The journey with SAP HANA has just begun at TRILUX. On the strength of the successful experience, the company wants to bring its computing power to all its processes, raising the business to new heights. "With SAP HANA, we create undreamed-of opportunities for innovation and speed, generating genuine added value for our specialist divisions," says Falk Zobel, head of application development at TRILUX.

The implementation of SAP Business Suite powered by SAP HANA is the next step. The company also sees new opportunities for its business by supporting agile processes with innovative applications that were not possible before for performance reasons.

For TRILUX, SAP HANA has opened the door to Industry 4.0, and the company plans to build its entire system landscape – running SAP and non-SAP solutions – on this breakthrough database technology.

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