

**Objective**

Find a service partner capable of executing a smooth, efficient transition to SAP HANA

Approach

Minimize business risk, with transition directly affecting 10 out of 15 factories

IT Matters

- Allows up to 500 users to log on concurrently
- Reduces month-end reporting bottlenecks
- Delivers more than 30 percent improvement in speed of SAP system

Business Matters

- Lays foundations for roll-out to every Liwayway factory
- Improves ability to analyze and act upon real-time data
- Creates future-proof SAP system with means to drive efficiencies across procurement, production and sales

Liwayway creates real-time enterprise following HANA migration

End-to-end migration project from HPE produces 300 percent lift in business agility



Liwayway is a leader in the Chinese snack food business. It has 15 factories producing 200-plus products across seven categories. Rapid business growth creates a challenge in terms of data management, across procurement, production and sales. HPE has successfully managed a transition to SAP HANA, creating a platform for continued growth and greater efficiency.

Challenge**Sustained success with quality products**

Liwayway is a leading Chinese snack food business, founded in the Philippines. It entered the Chinese market in 1993 and today boasts 15 factories and around 8,000 employees across the country. Its Oishi brand is one of the country's most well-known.

The business has a reputation in the industry for innovation, quality assurance and efficiency. Liwayway has consistently invested in new snack food technology, developing new flavors and strict safety and hygiene control.

“We never fight with prices. We serve our customers with quality and innovative products at the best value,” says Feng Fu Sen, Finance Department of Liwayway (China) Co., Ltd. “This is how we sustain our success.”

“We know Hewlett Packard Enterprise is a strong alliance partner of SAP. The HPE project team has demonstrated its dedication and commitment to customer success, with profound knowledge and experiences in SAP solutions.”

— Feng Fu Sen, finance department, Liwayway (China) Co., Ltd

Becoming a real-time enterprise

“The Chinese food market is immense but the competition is fierce,” continues Feng. “To stay ahead, we need to win on efficiency, which comes from having an effective enterprise resource management platform.”

According to Feng, Liwayway started an ERP system implementation in 2001, replacing this with a SAP solution in 2009: “With the implementation of SAP, we’ve built a solid ERP platform which integrates our mission critical processes in 10 of our 15 factories in China.”

In recent years, rapid business growth has seen an increase in data volume. The business has 200-plus products across seven categories. The central sales ordering system alone has to handle orders from more than 1,200 distributors and retailers, converting this information to local inventory and production updates. The previous SAP system, which ran on a traditional database, could not keep up.

“For all 10 factories to run SAP at the same time creates challenges in terms of system speed and data retrieval, especially during the month-end closing,” says Davey Y. Ching, MIS Department. “We’ve explored solutions with SAP on how to cope with the massive data and enhance analytical capabilities.”

Liwayway opted to migrate the current system to SAP Business Suite on HANA using HPE ProLiant DL580 G7 Server with Intel® based Xeon® processors. This would improve the performance of advanced, real-time analytics while handling real-time transaction workloads with extreme speed.

Aware that the HANA migration project would be critical for the company’s future success, Liwayway wanted an implementation and service partner capable of executing a smooth, efficient transition. “We were convinced by Hewlett Packard Enterprise’s decades of experience in SAP solutions and its technology leadership,” says Feng. “The fact HPE has more than 200 certified HANA engineers in China alone made us believe HPE is a trusted partner for implementing SAP HANA.”

Kevin Zhang of MIS Department, says the implementation roadmap delivered reassurance: “The methodology, which makes sure to only start the implementation after full testing, is very safe and risk free. HPE has demonstrated its ability to be a single point of accountability to address all of our SAP requirements.”



Solution

The first HPE SAP HANA migration project in China

Liwayway selected the HPE end-to-end solution for the migration project:

Transformation Services for SAP HANA and HPE Hardware Infrastructure Service, making it the first HPE managed SAP HANA migration case in China. Also, the migration would be managed, end-to-end, by HPE.

In terms of hardware, HPE Converged System has the performance, availability and data protection to provide maximum performance and availability, and thus is able to meet Liwayway's needs. Tests in 2014 showed that HPE ConvergedSystem for SAP HANA has twice the system performance in a single database server compared to similar test products. The number of records that can be handled is four times that of other test systems.

For Liwayway's migration project, HPE has provided two sets of HPE ConvergedSystem 500 for SAP HANA as the production database servers and HPE ProLiant DL580 Gen7 servers with Intel based Xeon processors as the infrastructure server. One of the production database server is setup in main data center whereas the second unit is deployed in an offsite data center. Both production HANA database server used SAP System Replication to replicate real-time data in high-speed through Gigabit ports. If the main production server fails, the second production HANA database server will act as the backup and switched to use.

The HPE ConvergedSystem 500 for SAP HANA Scale-up Configurations helped Liwayway in managing the increasing amount of data as the business expands - providing a full protection to the company's hardware infrastructure investments.

"We finished the project in 10 weeks, ahead of the scheduled three months, and to budget," says Ching. "Throughout the project there were two dedicated on-site engineers from HPE to monitor the process and testing."

By the end of February 2014, the company had 10 sites running SAP Business Suite on HANA, integrating business processes across procurement, production, logistics, sales, accounting and quality control.

Benefit

Insight to drive innovation

One of the key performance indicators for Liwayway's HANA migration was to increase the system speed by more than 30 percent. The reality far exceeds this. "With SAP HANA in place, we've seen massive system speed improvements," says Feng. "We're almost 300 times faster in running financial reports. This is a huge efficiency gain."

The new system allows 400-500 users to log in concurrently. All 10 factories can now run month-end closing at the same time, avoiding bottlenecks. Monthly financial reporting is now complete in half a day, versus two days as previously.

Case study

Liwayway (China)
Co., Ltd

Industry

Food

Customer at a glance

Hardware

- HPE ConvergedSystem 500 for SAP HANA

Software

- HPE Integrated Lights-Out (iLO) Advanced
- HPE Insight Remote Support
- HPE Systems Insight Manager

HPE services

- Transformation Services for SAP HANA
- HPE Hardware Infrastructure Service

“With Hewlett Packard Enterprise and SAP HANA, we’ve built a future-proof, solid foundation in information management. We’re on the right path to be a real-time enterprise.”

— Feng Fu Sen, Finance Department, Liwayway (China) Co., Ltd

“With SAP HANA in place, we have clearer insight into real-time data,” says Feng. “It means we’re better able to address operational issues. We can react faster to market demands and spot market trends.

“But the significance goes far beyond that. HPE and SAP joining together opens up spaces for greater possibilities. We want greater product differentiation, to build mobile sales platform, and automate tracking of inventory movements. All these are now possible.

“With HPE and SAP HANA, we’ve built a future-proof, solid foundation in information management. We’ll increase the system usage step by step and expand what is possible. The aim is to roll this out to the five remaining factories. We’re on the right path to be a real-time enterprise.”

He says Liwayway is particularly pleased with the HPE contribution in the HANA migration project: “We know HPE is a strong alliance partner of SAP. The HPE project team, from hardware to services, has demonstrated its dedication and commitment to customer success, with profound knowledge and experiences in SAP solutions.”

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