Oettinger Davidoff enjoys the benefits of the HPE ConvergedSystem 500

The challenge
- New corporate philosophy “From Crop to Shop” with an end-to-end value creation chain
- More than 30 corporate units around the world
- Fragmented IT environment with different ERP solutions
- Insufficient performance for computationally intensive reporting activities
- No central data pool available for fast real-time analyses

The solution
- Two redundant HPE ConvergedSystem 500 solutions for SAP HANA
- ERP Business Suite SAP S/4HANA as the new ERP environment
- New backup and data recovery concept
- Integration into the existing monitoring solution

The result
- Global process centre based on SAP S/4HANA
- HPE ConvergedSystem 500 as the basis for the infrastructure
- Optimum support of the “From Crop to Shop” philosophy
- Central database for fast analyses and reports (e.g. inventory)
- Up to a 40-fold increase in speed
- High stability and data security thanks to redundancy
- Simplified system monitoring via an internal team

Mastering the entire value creation chain, and with more consumer orientation. This is the new – simplified – strategy of Oettinger Davidoff. In order to implement the new strategic specifications, the family-run company from Basel is currently standardising and centralising its significantly fragmented IT environment. Based on the modern SAP S/4HANA Business Suite, the IT specialists are setting up a powerful global process centre, which will serve as the basis for modernising and standardising the ERP systems in the global business units, of which there are more than 30. The infrastructure will be based on two HPE ConvergedSystem 500 solutions for SAP HANA, which were installed and configured with the IT partner Bechtle Steffen.
The origins of Oettinger Davidoff AG date back to the year 1875. This family-run company based in Basel now has subsidiaries in numerous countries, employs more than 3500 people, and generated a turnover of 600 million Swiss Francs in 2016. The core business area of Oettinger Davidoff covers the production, marketing and sale of premium cigars, tobacco products and accessories. The premium cigar division includes the brands Davidoff, AVO, Camacho, Cusano, Griffin’s, Private Stock, Zino and Zino Platinum.

The company units, which are spread across numerous time zones and include tobacco plantations in the Dominican Republic, Honduras and Nicaragua, put significant demands on the organisation, processes and systems (“follow the sun”).

Initial situation

“From Crop to Shop” strategy demands harmonisation of the ERP systems

Oettinger Davidoff repositioned itself strategically a few years ago in line with the credo “From Crop to Shop”. In future, the company wants to control as many of the elements in the value creation chain as possible itself, in order to ensure maximum product quality “From Crop to Shop” in the around 70 global Davidoff flagship stores. At the same time, the business model should be further developed in the direction of a global “House of Brands” with increased focus on the consumers.

In order to ensure the new strategy can be implemented successfully, the long-standing company needed to adjust its structures and processes – in the area of IT as well. The new motto was therefore: “One Company – One System”.

Customer profile

Oettinger Davidoff AG

Josef Huber, Vice President ICT Service Development at Oettinger Davidoff, explained: “Our system environment was significantly fragmented, due to the way it had grown over the decades. We received the assignment from management to establish a global process centre, which should serve as the basis for the standardisation and centralisation of the ERP systems in our global business units, of which there are more than 30. We consciously chose a greenfield approach and questioned all processes and systems while focussing on predefined key success factors.”

As Oettinger Davidoff has been using SAP and HPE in key IT areas for many years now, and has thus had a lot of positive experience with these systems, the decision was made to involve these two solutions partners in the evaluation process.

“For us one of the key questions was how could we bring all of our global subsidiaries into a single ERP system and a powerful central infrastructure, which could fulfil the highest requirements in relation to speed, availability, stability and security, and which was ready to handle future activities in the areas of real-time analyses and big data now”, said Josef Huber while explaining the challenge.

“The increase in speed for analyses and reports is astonishing, thanks to the In-Memory technology.”

– Josef Huber
Vice President ICT Service Development
Oettinger Davidoff AG
Solution

SAP Business Suite S/4HANA and HPE ConvergedSystem for SAP HANA in a powerful combo

“You could call it a lucky coincidence, that SAP introduced its first ERP suite with SAP Business Suite S/4HANA, which was based entirely on the simplified data model of the SAP Hana In-Memory technology, just when we had reached a decision regarding which new system architecture was needed. The product matched our requirements and strategy for the future perfectly, and what’s more, our preferred supplier HPE also had a cutting-edge, HANA-certified hardware solution for us with the ConvergedSystem for SAP HANA. We became an early adopter – even though we had followed a more conservative strategy regarding IT technology in the past, were one of the first companies in Switzerland to invest in licenses for the SAP Business Suite S/4HANA and purchased two new HPE CS500 SAP HANA appliances.”

Oettinger Davidoff already knew about the HANA database technology at this point in time; the company had migrated its SAP Business Warehouse to a HANA appliance at both the application and infrastructure levels.”

The HPE HANA appliance holds all data consistently in main memory, and as it is no longer necessary to differentiate between analysis and transaction data during processing, huge amounts of data can be edited, analysed and evaluated in real time. “For a company that wants to control the entire value creation chain, it is essential to maintain an overview of the raw material and end product inventories. One of the first projects therefore involved the realisation of a large, central inventory database on HANA containing all of the data from our business units.”

The power combo S/4HANA and HPE HANA appliance provides Oettinger Davidoff with optimum support during the implementation of its newly defined “From Crop to Shop” strategy. The SAP Business Warehouse on HANA with cross-functionalities and the new multi-device user interface SAP Fiori, which can be used by all areas of the organisation, continually provide the IT team with new ideas on how to support the business even more effectively. What’s more, complex analyses and reports now run 30 to 40 times faster on the legacy ERP, which has not yet even been optimised for HANA. It was also possible to achieve important improvements with the two HPE ConvergedSystems for HANA in the areas of availability and data security. Oettinger Davidoff Senior Manager Service Operation/Infrastructure Serge Rais: “The replication between our two data centre locations and the monitoring of the systems have become much simpler than they were in the past. The standardisation of the infrastructure area has provided our small team genuine relief.”

IT manager Josef Huber only has words of praise for the cooperation with HPE and the HPE partner Bechtle Steffen: “It would not be possible to handle such a project without a good and trustworthy partnership, like the one we have with Bechtle Steffen and HPE.”

Result

30- to 40-fold increase in speed for reports

The scope and complexity of the ERP harmonisation project at Oettinger Davidoff meant that a gradual migration was required. Josef Huber: “In the initial stage, we migrated our legacy SAP ERP system, which most of the business units and parent companies are still using actively, to the HPE HANA appliance. The ‘SAP Business Suite on HANA’ that emerged as a result of this still works with the old programme code, but it can already make use of the powerful In-Memory DB of HANA and provide access to data in a central data container for the purpose of analyses and reports. Our recently founded German subsidiary is already using the ERP Business Suite S/4HANA in full.

We intend to successively migrate all legal entities of Oettinger Davidoff to our new global standard, S/4HANA and the HPE HANA appliance, over the coming months and years in parallel projects. Our goal is to establish as much standardisation and centralisation as possible at both the application and infrastructure levels.”

The increase in performance due to the In-Memory technology is astounding. As the HPE HANA appliance holds all data consistently in main memory, and as it is no longer necessary to differentiate between analysis and transaction data during processing, huge amounts of data can be edited, analysed and evaluated in real time. “For a company that wants to control the entire value creation chain, it is essential to
The solution at a glance

Hardware
• 1 x HPE CS500 SAP HANA Appliance – 3 TB Node, Dual Purpose
• 1 x HPE CS500 SAP HANA Scale-up Appliance – 2 TB

Software
• ERP Business Suite SAP S4/HANA

Partner services
• Consultation regarding the system architecture together with HPE
• Basic installation of the systems on site
• Creation of the backup, recovery and DR concept
• Integration into the backup infrastructure
• Ongoing advice/support via updates (base OS), system maintenance etc.

Partner Ready Service Provider

Bechtle Steffen Schweiz AG
Feldstrasse 4
5506 Mägenwil
www.bechtle-steffen.ch
kontakt@bechtle-steffen.ch

Oettinger Davidoff
Oettinger Davidoff AG
Hochbergerstrasse 15
4002 Basel
Phone +41 61 279 35 35
www.oettingerdavidoff.com

“We were able to achieve significant improvements in terms of availability and data security using the HPE HANA appliances.”

– Serge Rais
Senior Manager
Service Operation/Infrastructure
Oettinger Davidoff AG

Bechtle Steffen Schweiz AG
As one of the leading IT service providers in Switzerland, we are the first choice for infrastructure and cloud solutions for SMEs and large corporate customers. Our services range from consulting and implementation to the operation of individual services and complete IT infrastructures. And our customers benefit from our know-how and dedication as well as the best partner certifications from renowned manufacturers.

Bechtle Steffen Schweiz AG currently has 250 employees and is a member of the Bechtle Group. The Group has around 70 IT system houses in Germany, Austria and Switzerland and is also one of the leading value-added resellers in Europe, thanks to its e-commerce companies in 14 countries.