

Success Story

Future platform for the industry

In the globalized automotive industry, the traceability of supply chains is at least as important as the correct positioning of the steering wheel. Technology company Oetiker from Horgen (ZH) created 100 % transparency with its latest cloud ERP suite.



Clamps, clamps and rings made of metal are important individual parts in the automotive industry. One of the largest producers in this product area is the Oetiker Group. The Swiss family-owned company with about 2000 employees is present with its products in more than 30 countries. In 2021, the market leader tackled the technical migration from SAP ECC to SAP S/4HANA Cloud. Within six months, the conversion was successful and in just one day, the system was successfully rolled out in all 11 locations. The strategic move was rewarded after only a short time. The manufacturing company saved up to 95 percent of time at the process level and set the course for the future with the conversion. Artificial intelligence in the machine parks and predictive delivery are no longer empty buzzwords, but medium-term projects that can be realized with the new ERP suite.

Initial situation

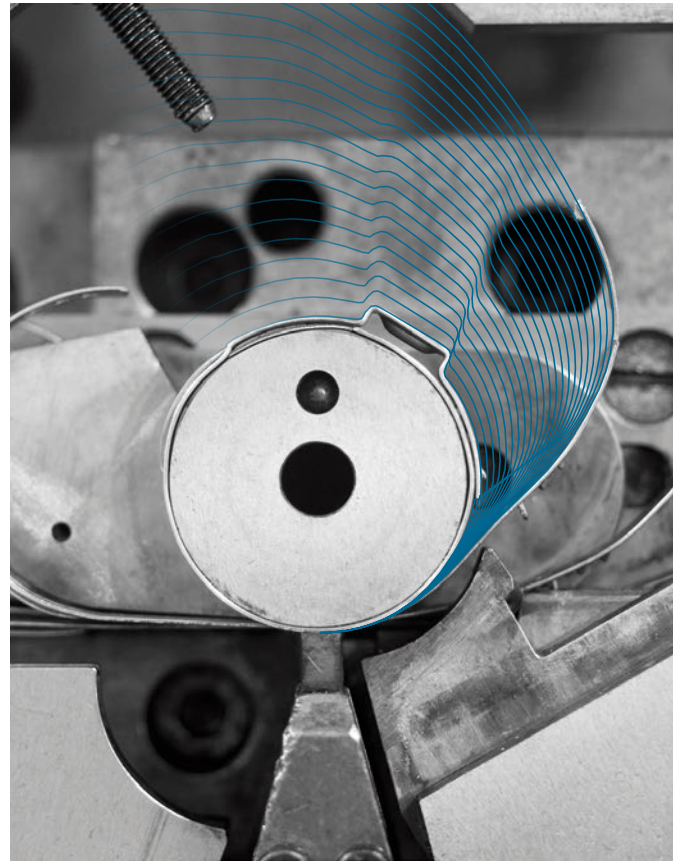
From A for exhaust to Z for cylinder head gasket: an average-sized passenger car today consists of up to 10'000 individual parts. Car manufacturers purchase the necessary elements from specialized suppliers all over the world. Important metal clamps that fix hoses and pipes to the car body, for example, come from Horgen (ZH). The Oetiker Group has been headquartered there since 1942. The family business, now in its third generation, is regarded as the market leader in the manufacture of connecting and matching assembly solutions.

Between tradition and innovation

The Zurich-based company employs around 2000 people and is present all over the world with 30 international subsidiaries. The many international production and sales locations have long been supported by the SAP ERP solution ECC. Natalia Tuero, Global Head IT & Digitalization at Oetiker, says: 'In digitalization, we see the opportunity to become more agile and create new opportunities for our customers.'

Digital outlook

That this would continue to be formed by SAP was clear to the Swiss SME. 'SAP is one of our strategic initiatives. As an international manufacturing company, we rely on a lot of flexibility, transparency and location-based compliance support. SAP has guaranteed us this for years with reliable core processes. Now we want to increase our innovative power with the latest SAP Cloud ERP generation S/4HANA Cloud.'



Oetiker Schweiz AG wants to increase its innovative strength with the latest SAP Cloud ERP generation S/4HANA Cloud.

Objective

Define processes, reduce complexity, convert system, achieve stability, promote innovation: This was the order in which the conversion from SAP ECC to SAP S/4HANA Cloud was to proceed, according to Natalia Tuero. 'The entire project was focused on implementing the system conversion as quickly as possible.' Oetiker expects this step to strengthen the group even more.

Maintaining day-to-day business

The technical changeover was to proceed without interruptions. 'Our 24/7 operations were not to be affected in any way. It was equally important that we were able to maintain the service quality of a wide range of business areas throughout the project,' says Natalia Tuero. This was fully achieved. A long-term business goal is to create value from innovations that may be made in the future. 'Our planned annual benefits of a monetary nature should be double the implementation costs.'



With SAP S/4HANA, the technology company relies on best practice, supplemented with certain content extras.

Solution

Oetiker selected Swisscom as its project partner through a selection process. In addition to the cost estimate, the certified SAP partner convinced Oetiker with its wealth of experience in the area of SAP S/4HANA and its resource strength, according to Natalia Tuero. ‘SAP S/4HANA in particular requires enormous know-how on the part of the partner. Swisscom already dealt with the cloud system when it was not yet mainstream. It was important for us to work with a partner who already had some reference projects.’

Cloud first

The fact that the new software is operated in the cloud is part of Oetiker’s new cloud-first strategy. ‘We are aligning ourselves with the state of the art and have now moved all our operating systems to the MS Azure Cloud,’ says Natalia Tuero. ‘This was a real innovation for Oetiker, as we previously ran all our backbone applications in our own data center.’ With SAP S/4HANA, the technology company is relying on best practices, supplemented with certain content extras. Oetiker benefits from a 24/7 support contract with Swisscom.

‘Our planned annual benefits of a monetary nature should be double the implementation costs.’

Natalia Tuero

Global Head IT & Digitalization, Oetiker Switzerland Ltd.

Benefits

The technical changeover went as planned within half a year. In June 2021, the software was rolled out simultaneously in all 11 locations – without bugs, without interruptions. Less than a year after the go-live, Oetiker is benefiting from a significant improvement in performance. Especially in analysis processes, the increase in efficiency is striking and can even be quantified. ‘We used to keep the entire inventory and demand overview of our products on a self-programmed evaluation tool. It took us several minutes to evaluate a product selection; with SAP, we can now do it in 30 seconds,’ says Natalia Tuero.

Functional innovations

Oetiker is now in the innovation phase. ‘We are currently exploring which innovations can be tackled in which line of business – depending on the need and speed.’ Artificial intelligence or robotic automation in the machine parks are topics. ‘Our focus is on optimizing transparency in the supply chain. An initial test phase of the predictive delivery functionality went well and we received very good feedback from our users.’ Intuitive user interfaces ensure that such new functionalities will quickly establish themselves on a broad scale in the future.



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About the Oetiker

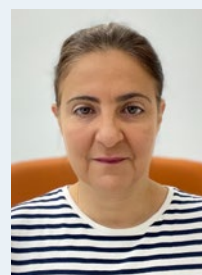
- Manufacturing technology company
- Production/distribution of interconnection solutions
- Headquarters: Horgen (ZH)
- Employees: 1885
- Users: 1000
- manufactures over 2 billion products annually



Reliable Connections

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Swisscom SAP Services, which has been an SAP Gold Partner since 2003, has a team of 400 certified employees. 280 customers already benefit from the long-standing experience of these SAP specialists. Insights gained from past SAP implementations and the ‘S/4HANA Transformation Factory’ innovation hub feed directly into customer projects – from classic ERP to S/4 and C/4. Twenty previous implementations have been recognised with the SAP Quality Award.

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