



**SAP Solution Brief**  
**SAP ERP Packaged Solution for the Fabricated Metals Industry**

## **SAP® SOLUTIONS FOR THE FABRICATED METALS INDUSTRY**

**Rapid Implementation, Rapid Results for Midsize to Large Companies**

The SAP® ERP packaged solution for the fabricated metals industry is a complete modular enterprise resource planning (ERP) solution that meets the needs of both midsize and large companies in the fabricated metals industry. Implemented in 16 weeks or less, the solution provides rich support for specific fabricated metal products processes. The packaged solution can be combined with other SAP products, such as the mySAP™ Supply Chain Management and mySAP Customer Relationship Management applications, to meet changing company requirements. It makes full use of the SAP Best Practices for Fabricated Metals offering.

Fabricated metals companies, especially at the midmarket level, face global competition and tighter margins. Competitive pressures, including “quick ship” programs, have cut order fulfillment lead times. To deal effectively with these new industry conditions, midsize companies are finding it necessary to streamline business processes and make better use of real-time business information. Your company has to tightly control working and fixed capital.

Complexity is one of the hallmarks of your industry. Global demand continues to be highly variable. You have to manage multiple product lines representing a broad range of finished goods that can extend from standard stock products to complex, customer-specific (made-to-order) offerings. At the same time, market pressures are driving your company to provide increased options within these product lines and introduce new products as well. As a result, pricing and inventory control have become more complex.

Global manufacturing process and marketing requirements are putting pressure on IT to offer solutions that feature e-marketplaces, offshoring, and a variety of value-added services, such as providing effective collaborative processes between your company and its suppliers, customers, and contract manufacturers. However, you may be saddled with outdated and inefficient legacy systems – in fact, a typical \$500 million manufacturer can waste up to \$1.5 million per year maintaining outdated and inefficient legacy systems.

You are also experiencing high distribution and supply chain costs and the need to reduce inventory. In addition, government regulations regarding employee health and safety, product safety, and emissions management add another level of complexity.

You also want to protect your installed base from low-cost competition by building customer loyalty and making it easier for your customers to do business with you. Also, you want to present one face to your customers across your entire line of business.

In short, your market is a difficult and demanding one, particularly if your company is a midsize firm with limited resources.

## **Meeting the Challenge**

### **mySAP<sup>®</sup> ERP**

At the heart of SAP's answer to meeting the challenges facing companies in the fabricated metals industry is the mySAP<sup>™</sup> ERP application. This is the next-generation enterprise resource planning (ERP) application from SAP that helps organizations solve real-time business issues on an operational as well as strategic level. mySAP ERP is used by many midsize as well as large companies – in fact, about 54% of all SAP<sup>®</sup> software installations are at companies with annual revenues of between \$200 million and \$1 billion.

Powered by the SAP NetWeaver<sup>®</sup> platform, mySAP ERP allows you to sense and respond to market changes and continuously align operations with market demand, thus reducing costs and increasing revenue opportunities.

mySAP ERP gives you better control of your assets and business processes by offering world-class software functionality for operations such as forecasting; sales order management; manufacturing planning, scheduling, and execution; quality management; inventory management; analytics; financials; human capital management; self-services; and corporate services.

mySAP ERP addresses all the core business software requirements of both midsize and large organizations in the fabricated metals industry.

### **SAP ERP Packaged Solution for Fabricated Metals**

To meet your specific needs, mySAP ERP now has available a specific solution tailored to meet the demands of the fabricated metals industry.

The SAP ERP packaged solution for the fabricated metals industry enables you to leverage the proven functionality of mySAP ERP in a tailored ERP solution that can be implemented in weeks, at a predictable cost and time to value.

With this packaged solution, you can automate and streamline your critical end-to-end business processes and be ready for growth by quickly adapting your business processes and systems to changing market conditions. Plus, you gain increased visibility and control across processes. This allows you to reduce your time to market and time to volume and identify your most profitable products and channels.

### **SAP Best Practices for Fabricated Metals**

The SAP solution also makes full use of the SAP Best Practices for Fabricated Metals offering. These comprehensive best practices describe exactly how best to implement key business processes in your system, including how to set up and configure your SAP software. They are delivered to you in the form of detailed business documentation that describes best-in-class business practices. Also included is a complete set of technical information to help you implement the business processes.

Among the best practices available to you are:

- Demand planning
- Sales order management (make to order, make to stock)
- Purchasing – services and raw material
- Production – in-house and subcontracting/toll processing

- Inventory management
- Financials
- Controlling
- Analytics

### **Qualified mySAP All-in-One Partner Solutions**

Qualified mySAP All-in-One partner solutions put the power of integrated business solutions within the reach of smaller companies with a prepackaged, industry-specific version of mySAP Business Suite applications, with built-in content, tools, and methodologies for a cost-effective, turnkey deployment.

With qualified mySAP All-in-One partner solutions, SAP offers an ample solution portfolio that addresses the unique needs of its fabricated metal customers. SAP partners use SAP Best Practices as the foundation for prepackaged, ready-to-use qualified mySAP All-in-One partner solutions. Preconfigured business scenarios help you rapidly realize business benefits without extensive configuration.

Qualified mySAP All-in-One partner solutions based on SAP Best Practices ensure maximum benefits for midsize customers, because SAP Best Practices not only covers well-proven industry-specific business processes but also includes everything that is needed to integrate and exploit the potential of the mySAP Customer Relationship Management (mySAP CRM), mySAP Supply Chain Management (mySAP SCM), and mySAP Supplier Relationship Management (mySAP SRM) applications.

### **Rapid Implementation**

Experienced SAP professionals skilled in fabricated metal products implementation will take your solution live in 16 weeks or less. The solution is 80% preconfigured, allowing you to focus on the 20% that makes your business unique.

The SAP software implementation approach shortens your time to a full ROI, requires less people, and minimizes disruption to your everyday business. More than half of these SAP software implementations have involved midsize companies.

### **Additional Available Resources**

As your company grows and your requirements change, SAP offers you the flexibility to add more functionality as you need it. These “snap-in” applications include mySAP SCM and mySAP CRM.

The mySAP SCM application transforms traditional supply chains from linear, sequential processes into an adaptive supply chain network in which communities of customer-centric, demand-driven companies share knowledge, intelligently adapt to changing market conditions, and proactively respond to shorter, less predictable life cycles.

mySAP SCM includes the SAP Advanced Planning & Optimization component, which enables dynamic supply chain management. It includes applications for detailed planning, optimization, and scheduling, allowing your supply chain to be accurately and globally monitored within and beyond your company’s boundaries.

Other mySAP Business Suite snap-in applications that you can draw on include mySAP SRM and mySAP Product Lifecycle Management.

### **What SAP Can Do for You**

The SAP ERP packaged solution for the fabricated metals industry allows you to implement world-class ERP software quickly and with minimum risk and cost.

### **Visibility**

You gain new visibility into your business processes, including access to consolidated data for better decision making. Data reporting in real time across your entire company and members of your value chain means that you eliminate inefficient data-gathering processes and move from a reactive, firefighting mode to a proactive stance. The added visibility provided by the SAP solution also allows you to comply more easily with government regulations such as Sarbanes-Oxley and Basel II.

### **Build Customer Satisfaction and Loyalty**

Implementing the SAP ERP packaged solution for the fabricated metals industry will give you an edge on your competition and help protect your installed customer base. The increased agility and responsiveness of the solution makes it easier for your customers to do business with you. It also allows you to present one face to your customers across all your lines of business.

### **Standardization and Integration**

Because the packaged solution has industry-specific functionality and expertise built into the system, implementing the SAP packaged solution acts as a catalyst toward standardizing your processes and systems. This allows you to share resources across your company's facilities and improve operational efficiency by leveraging initiatives such as Six Sigma.

By deploying a single platform, you seamlessly integrate your processes and systems and eliminate manual integration. This is an affordable, rapidly implemented solution that allows you to reduce inventory, material costs, and working capital while increasing efficiency and throughput.

### **Fast Implementation, Quick Results**

The SAP ERP packaged solution for the fabricated metals industry accelerated implementation process – usually 16 weeks or less – allows you to save time and money while minimizing risk and disruption to your business.

Like all SAP software, this packaged solution scales to meet your company's ongoing needs. Because you are building on a solid foundation, you can address the entire spectrum of your business needs by adding the functionality you need when you need it. Coupling market-leading SAP enterprise software with world-class service and support ensures that you always have everything required to support and accelerate your business growth.

The SAP ERP packaged solution for the fabricated metals industry is a proven solution from an experienced company – SAP has been helping companies like yours for more than 30 years. The SAP solution, backed by SAP Best Practices and a full range of software from the mySAP Business Suite, is your key to success in the hotly competitive fabricated metals industry.

### **For More Information**

To learn more about the SAP ERP packaged solution for the fabricated metals industry, visit our Web site at [www.sap.com/erp](http://www.sap.com/erp).