



The company referenced in this case study is a southern chemical company with a 30-year history of specialty and custom chemical development and production. They are a leading U.S. manufacturer of premium biodiesel and other biofuels.

Hitachi Consulting delivers an SAP certified solution for chemical companies focused on an accelerated evaluation and implementation process. The solution is based on SAP's All-in-One solution from their North America SME Solution Center.



## Case Study: Custom Chemicals Company *SAP Best Practices Implementation in the Chemicals Industry*

### Business Challenge

When this chemical company spun off from its parent, it needed an alternative to staying on the highly-customized ERP system that no longer met the new company's goals, vision or objectives.

Before the spin off, the company received extensive help from its parent company's centralized IT services, but that assistance was no longer available and monthly IT expenditures would be costly.

The new company needed a system that would better support its new business goals—something that wasn't possible with the inherited solution—and also needed help improving key business processes such as direct material purchasing, logistics, and customer relationship management.

A quick software implementation solution became a necessary imperative.

### The Solution

With a certification in SAP All-in-One for Chemicals solutions based on SAP Best Practices offerings, and familiarity in SAP Best Practices for Chemicals rapid implementations, Hitachi Consulting became the premier choice to help the chemical manufacturer resolve its software implementation issues.

A dedicated team of chemical company and Hitachi Consulting employees designed the SAP solution based on the Best Practices for Chemicals pre-configured framework. They implemented the following components:

- ECC 6.0 with SAP Best Practices for Chemicals v1.5
- SCM 5.0 Event Manager
- Rail car management and Ramp-up customer
- Financials: G/L, A/P, A/R, and Fixed Assets
- Controlling and Profitability Analysis
- Materials, Procurement and Inventory Management
- Order Processing and Transportation Planning
- Quality Management
- Production Planning
- Warehouse Management
- Global Label Management, Product Safety, and Dangerous Goods Checking
- Plant Maintenance

Despite the magnitude of the engagement, Hitachi Consulting was able to use its Best Practices implementation experience and complete the project one month early—in an amazing five months.



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### Business Benefits

Dedicated team members from the chemical company and Hitachi Consulting worked closely together, using the SAP Best Practices for Chemicals solution and Hitachi Consulting's rapid implementation project management approach. The SAP engagement was successful. They experienced an unheard of turnaround time of five months—one month ahead of the originally proposed plan—putting the chemical manufacturer on the fast track to achieving several business benefits, including:

- **Minimal staffing requirements** associated with ongoing SAP technical support (one dedicated technical resource rather than the predicted support staff of six to 15)
- **Below-average costs for ongoing IT costs**—far below the averages of similar companies
- Empowered business users who could now learn how to **perform key processes**
- **Minimized payments** for use of former parent company's SAP software
- Positioning of company to **grow without being limited by the functionality or scalability** of its ERP platform
- The **potential to more than double its revenues** within two years

*"Hitachi Consulting is one of few firms that can provide qualified SAP solutions for the Chemicals industry. That gave us the assurance we needed. And there's no way we could have designed and implemented our system in five months and kept our ongoing IT costs so low without SAP Best Practices and Hitachi Consulting solutions."*

*I have been more than impressed with how smooth we are running and how surprisingly few issues we have had since go-live. Now we're taking advantage of our new solution to increase efficiencies throughout the company."*

**—Systems Manager  
Chemical Manufacturer**



### About Hitachi Consulting Corporation

As Hitachi, Ltd.'s (NYSE: HIT) global consulting company, with operations in the United States, Europe and Asia, Hitachi Consulting is a recognized leader in delivering proven business and IT strategies and solutions to Global 2000 companies across many industries. With a balanced view of strategy, people, process and technology, we work with companies to understand their unique business needs, and to develop and implement practical business strategies and technology solutions. From business strategy development through application deployment, our consultants are committed to helping clients quickly realize measurable business value and achieve sustainable ROI.

Hitachi Consulting's client base includes 25 percent of the Global 100 as well as many leading mid-market companies. We offer a client-focused, collaborative approach and transfer knowledge throughout each engagement.

For more information, call 1.877.664.0010 or visit [www.hitachiconsulting.com](http://www.hitachiconsulting.com).

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