

Success Story: Schäfer Werke GmbH - EMW

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**Multi-step manufacturing including QM & shipping realized within SAP ERP
- All industry-typical particularities represented in a single software -**

Interview with Frank Selbach, CIO of Schäfer Werke GmbH



*Frank Selbach, CIO of
Schäfer Werke GmbH*

Schäfer Werke in Neunkirchen, Germany, have been using SAP ERP since several years in the German plants of Dresden, Betzdorf, and for the manufacturing of perforated plates in Neunkirchen. Therefore, it was obvious to also completely integrate within SAP their steel service center 'EMW Eisen- und Metallhandel GmbH' with its varying manufacturing tasks. Previous analysis had shown possible room for improvement, and also the limits of standard software in the highly special production and shipping-related processes. With the help of its reference customers, OSCo was able to show the complete degree of coverage of the requirements for these business processes.

Mr. Selbach, which requirements were especially important for you?

A steel service center must be able to react very fast, i.e. possibly within hours to the delivery wishes of the customers. An indispensable condition for this is the knowledge of all quality data from the customer requirements along with the available products even when the material has not reached the customer's own plant. A mix-up of materials must absolutely be excluded.

The Quality Management plays a pre-eminent role in the field of metals. With us, these are predominantly hot and cold rolled steel with various types of corrosion protection. This means that different standards and their tolerances have to be considered. Furthermore, a systematic backwards-tracing across all manufacturing processes should be guaranteed consistently.

Why was the direct inclusion of the manufacturing in SAP ERP so important?

SAP ERP enables us to represent the quantity and value flow continuously in a single software environment, and also to conduct specific calculations along with analysis. Examples include functions of the SAP material requirements planning, calculations and database analysis. It was important to us that typical industry-specific features have been implemented according to our wishes. They are reflected in the production alternatives or in the procedures regarding long-term supply contracts with steel mills, and in particular the issue of short-term delivery capability.

The advantages of a full integration of production logistics and accounting were particularly evident during the strong price fluctuations in the steel market recently. We mainly use the possibilities of batch assessment, and use them consistently in multiple-step manufacturing. Based on this, the batch concept in the sense of clear objects (batch units) ensures that the requirements in Quality Management are met. This applies to the entire depth of production to the deliveries.



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Which areas in SAP does this enhanced solution particularly complement?

All functions, from the incoming order to manufacturing to shipping, are completely integrated into the ERP system. This consistency supports in particular the flexibility expected of us. On the other hand, the cutter plan data with our tool assembly robots must also be changed. The fine planning departments wanted to continue the use of combination calculations of the planning software from TietoEnator. These are completely integrated into the fine planning functionalities of the OSCo solution.

I must also emphasize on the highly versatile fine planning in a steel service center. Besides the state of the coils to be selected, with respect to their geographic availability, the inspection status is not only to identify, but also to control. Slittings and cuttings result case by case from the respective mix of orders, or the geometry and properties of the used coils. The fine planner must be able to react on this interactively.

The fulfilment of customer wishes regarding quality certificates, packaging and also the position of packaging for the delivery and unloading are part of our daily business. The corresponding data has to be transferred by the order reception to the manufacturing without any errors and mix-ups.

What are the success factors that can be highlighted?

OSCo has prepared the SAP system conforming to the processes for the technical production tasks. Thus, we could quickly realize our high requirements, and in parallel could build-up an optimized transfer of know-how to the actual users.

With OSCo, we started the migration of legacy data from our old system MAS90 very early. We transferred data, partly only in texts, to analyzable structures of the SAP variant configuration. Our former 'sheet identification cards' are now at disposal to all departments directly online. They are also integrated logically into the processes.

The new display screens were implemented in a practical way for all functions. This means that the screens of the warehouse, production fine planning, and the production data collection (PDC/MDC) led quickly to a high acceptance in all areas.

This acceptance was achieved because the software solution optimally incorporates and ensures the information requirements, and also the procedures in the respective departments.

Thank you for this interview.



Das Stahl-Service-Center

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Abbreviations:

PDC: Plant Data Collection, including analysis

MDC: Machine Data Collection