



VS Vereinigte Spezialmöbelfabriken GmbH & Co. KG
Reduce costs and manage
variants with it.wood

»itelligence speaks our language, understands our processes and professionally implements all requirements. The consultants have proven themselves as the ideal partners for VS and for the furniture industry. The it.wood industry solution that we have installed should reduce our yearly costs by around EUR 500,000.«

Alexander Ille, IT Manager, VS Vereinigte Spezialmöbelfabriken GmbH & Co. KG

Managing millions of variants

Without a computer i.e. an integrated software solution, VS would not be able to function. After all, the company copes with around 1,500 production orders on a daily basis. The batch sizes are small as furniture is chiefly produced according to customers' individual wishes. Consequently, the volume of data is extensive: a product range of some 2,500 models results in several million potential variants. A high level of production depth must also be included. In contrast, for a long time the company had been using a data processing program that did not fulfill the increasingly important requirements on an integrated basis.

Following insolvency of the program manufacturer, the VS IT department maintained the system on its own. Over an eight year period, this resulted in an extremely heterogenous IT architecture with separate and complex special applications for the individual departments. Maintenance costs for data processing were beyond any form of profitability. The isolated application structure slowed down the flow of work within the company and impaired its rate of delivery.

In 2002, an entire IT reconstruction was unavoidable. For the decision makers, an integrated and open software that could be expanded flexibly

itelligence

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These days, a classroom without a computer is unthinkable. Ideally, the necessary PC work stations should be ergonomically designed. VS Vereinigte Spezialmöbelfabriken GmbH & Co. KG provides the appropriate furniture i.e. special desks, adjustable-height seats or flexible standing terminals. The 900 employee strong enterprise once again strengthens its position as the market leader in school furniture by means of its innovative multimedia concept. The company in Tauberbischofsheim, Germany, has been providing trend-setting standards in terms of quality, ergonomics and functionality for more than 100 years. In addition to school furniture, VS develops, plans, produces and distributes high-quality office, conference, seminar and home furniture.



Name:
VS Vereinigte Spezialmöbelfabriken GmbH & Co. KG

Industry:
Wood and furniture industry

Products:
High-quality school furniture as well as office, conference, seminar and home furniture

Company size:
900 employees including 340 SAP users

Headquarters:
Tauberbischofsheim, Germany

Sales:
EUR 100 million

was the only option for the new, centrally located managing unit. Furthermore, the intention was to invest in the future. SAP was the clear winner in all aspects, but the provider had another ace up its sleeve. With itelligence AG, the SAP partner portfolio can provide a certified specialist for the furniture industry.

“Permanent prototyping” – Success leverage

Alexander Ille, IT Manager for VS, confirms the SAP partner’s remarkable competence: “itelligence speaks our language, understands our processes and professionally implements all requirements. The consultants have proven themselves to be the ideal partners for VS and the furniture industry.” Combined strengths and bundled expertise meant the efficient implementation of the software restructure.

In doing so, SAP modules for finance, controlling, sales, production, stock keeping, inventory management and travel expense accounting have been integrated. The IT manager describes the permanent prototyping applied by itelligence as ingenious: initially, a very lean, sample solution, more process than function-oriented, is installed. Subsequently, this solution is expanded successively in line with real business processes. On a specific, predetermined date, VS was able to switch the system to production that fully mapped the complex processes, something that ran from the first moment onward without any noticeable frictional losses.

The new software enabled VS to begin production on a process-oriented basis. In addition to their own department, users have an overview of the prior and subsequent departments as well. This necessitates a structured and disciplined method of working. In turn, transparency and the flow of information within the company have improved significantly. The central SAP system maps the added value consistently. This means, for example that the current status of

manufacture for any order can be called up at any time. “All in all, this has allowed us to accelerate our processes by around ten percent”, commented Alexander Ille, “this represents annual savings of about EUR 150,000.”

Transparent and cost saving

The new, lean system is also significantly easier to manage and maintain than its confusingly arranged predecessor. This represents savings of EUR 300,000 in consulting and EUR 50,000 in IT support for VS. For the head of IT however, the actual return on investment lies in the company’s sustainability. At any given time, the software can be expanded to include applications necessary to increase competitiveness. VS has already added the human resources application. Solutions for customer relationship management, data warehousing and supply chain management are to follow. “Achieving this growth with the old program? Impossible”, comments Alexander Ille with complete conviction. Everyone at Vereinigte Spezialmöbelfabriken agrees, operating procedures would simply be no longer possible without the it.wood industry solution based on SAP Business All-in-One.

Facts & Figures

Solution: implementation of the SAP industry solution it.wood

Operating system: Windows 2003

Server: 3 x HP-RX 5670

Database: Oracle

Project duration: 15 months

The advantages:

- Intelligent variant management
- 10% reduction in order production times
- Annual IT cost reduction of EUR 500,000
- Increase in competitiveness

