

QUICK FACTS

Customer Business

Osram Opto Semiconductors is a leading manufacturer of LEDs and other solid-state lighting devices.

Locations

Germany
Malaysia
United States

Industries Served

Automotive
Lighting
Sensors

Type of Project

EDI implementation

Solutions

SEEBURGER B2B Gateway
SEEBURGER SAP Adapter

Business Benefits

- Automated B2B communication
- Just-in-time delivery support
- Reduced hardware costs
- Reduced VAN costs
- Reduced IT overhead

Technical Benefits

- One global EDI platform
- Faster EDI mapping
- Easy rollout of new applications
- Seamless SAP integration

Technical Environment

SAP R/3 hosted by IBM
Oracle 9i database
IBM AIX operating system

Osram Lights the Way for Same-Day LED Delivery with SEEBURGER as Global EDI Platform

In late 2002, leading LED supplier Osram Opto Semiconductors was facing a corporate restructuring that required migration to a new Electronic Data Interchange platform. As it turned out, the company gained more than a new EDI engine when it switched to SEEBURGER's B2B Gateway. SEEBURGER's ability to accommodate global data standards and communication protocols enabled the Osram division to cut costs by consolidating EDI platforms worldwide. In addition, the system's easy-to-use graphical message and workflow designers have reduced the time and expense of ongoing maintenance work as well as yielded new efficiencies by easily automating additional business processes. These same tools also allowed Osram OS to go live in just five months — a month ahead of deadline.

The Challenge

The stakes in Osram Opto Semiconductors' new EDI implementation were high. Over 60% of the company's global LED business is routed through EDI channels, with roughly 28,000 electronic messages flying through the ether every month. Many of the 47 trading partners who communicate with the firm through EDI are automotive manufacturers who order LEDs for use in vehicle lighting early in the morning for pickup at third-party warehouses a few hours later. "For us, EDI is mission-critical," says Jim Norris, director of IT for Osram OS in North America. "We had six months to complete this project, and missing our target date was not an option."

Along with the crunch deadline, Norris and his counterparts in Germany were confronting a pile of technical challenges. They had to convert over 200 different message types from two different legacy systems and establish the complex workflow required to execute everything from purchase orders to shipping notifications. They had to ensure that EDI messages would seamlessly integrate into the firm's mySAP Business Suite. And they wanted to standardize on a single EDI solution that could accommodate North American, European and eventually Asian protocols to bring the company's LED factory in Malaysia on board.

The Strategy

After selecting SEEBURGER's B2B Gateway because of its global capabilities and the availability of a SEEBURGER-developed SAP adapter ensuring seamless integration with all relevant SAP functions, Norris contracted for training at his firm's U.S. offices in San Jose. The goal was to learn to use SEEBURGER's drag-and-drop mapping tools in order to create new message documents and workflow for each customer, distributor and third-party logistics provider. The product proved so intuitive that Norris and another technician needed just 16 hours of instruction before tackling the development work.

Osram OS personnel in Germany received training simultaneously, with Malaysia following soon after. All three locations were equipped with their

ABOUT SEEBURGER

North America

SEEBURGER, Inc.
5 Concourse Parkway
Atlanta, GA 30328, USA
Phone: 770-604-3888
Fax: 770-604-3885
info@seeburger.com

Europe

SEEBURGER AG
Edisonstraße 1
D-75015 Bretten
GERMANY
Phone + 49 (0) 72 52/96-0
Fax + 49 (0) 72 52/96-2222
info@seeburger.de

Asia Pacific

SEEBURGER Asia Pacific Ltd.
8/F., Bank of America Tower
12 Harcourt Road, Central
Hong Kong
Phone + 852 2584 6220
Fax + 852 2588 3499
infoasiapac@seeburger.com

Website:

www.seeburger.com

About SEEBURGER

SEEBURGER is a leading provider of global business integration solutions designed to optimize transactions throughout the extended enterprise by automating trading relationships with all partners regardless of their size and technical resources. Launched in 1986 to provide integration solutions to the automotive industry in Germany, the company today is ranked among the top business-to-business gateway providers by top industry analysts, and serves more than 6,500 customers in 35 countries and more than 15 industries through its flagship B2B Gateway and related products and services. SEEBURGER has global offices in Europe, Asia Pacific and North America, including a U.S. office that opened in 1998.

own SEEBURGER development servers, providing a common development environment as well as the local control essential to meeting disparate requirements such as the use of ANSI X.12 and EDIFACT file formats by different trading partners in different markets. All work done on each continent is compiled into the SEEBURGER production server located in Germany. That server processes all EDI transactions for Osram OS worldwide.

The Benefits

Osram Opto Semiconductors transitioned to the SEEBURGER platform in March 2003 without any visible change for its trading partners. The system itself has run smoothly, easily handling a near-doubling of monthly transaction volume. The SEEBURGER software has also reduced development time and associated costs for new maps required to handle periodic changes in business processes by trading partners or Osram OS itself. This stems from the simplicity and advanced business logic capabilities of SEEBURGER's mapping tools.

"We can create business processes faster and more cost-effectively through our SEEBURGER system than by hiring an ABAP programmer to set up that same logic in SAP," Norris notes. "If we get an EDI order with a package size that doesn't exist, for example, we have configured the system so that the SEEBURGER box can detect the problem and reject the order before sending it to SAP. It took a lot less time to set that up through the SEEBURGER tools than if we had to change SAP code."

The global aspect of the implementation has also produced significant benefits. Having a single production server rather than multiple EDI systems has simplified the company's IT infrastructure, reduced hardware and maintenance costs, and lowered communication fees by allowing all EDI messages to be routed through one value-added network (VAN). In addition, the EDI teams in each office around the globe can assist each other on various projects because they are using the same development tools.

The Future

Since the initial implementation, Osram OS has expanded its use of the SEEBURGER B2B Gateway beyond the exchange of conventional documents such as purchase orders, delivery schedules, advance shipping notices and invoices. The company has added open order reports to its EDI system at the request of customers uncomfortable with advance shipping notices, for example, enabling those customers to determine when their LED orders are being shipped without tying up Osram customer service representatives.

Similarly, the system now processes ship and debit messages authorizing distributors to lower the price for a particular customer under certain circumstances, and will soon be adding accounts payable messages enabling Osram OS to seamlessly outsource check-writing responsibilities through its mySAP Financials application.

"It's all about automating information exchange for accurate and timely delivery, both in the supply chain and beyond," Norris says. "At the end of the day, this offers us strategic business advantages that will strengthen our customer relationships. The move to the SEEBURGER platform has given us the tools to do this quickly and at very low cost."