



## IMPROVED PLANNING ENABLES BUSINESS GROWTH

### Challenge

As a driver of innovation in the economy, the engineering sector constantly has to meet new challenges in international markets to ensure long-term success. It is, therefore, essential that internal processes are fully synchronized with changing requirements in order to secure a competitive edge. Replacing the Fi-2 production control center would allow Rüggeberg to adapt its internal processes to new requirements, thereby gaining a major competitive advantage.

### Solution

- Integration of planning environments with SAP® APO and SAP® R/3 ECC 6.0
- Real-time integration of planning and execution
- Visualization of planning levels with graphical control center

### Benefits

- The proven methods for planning, implementing and managing Supply Chain Management (SCM) projects of IDS Scheer Consulting, a brand of Software AG, helped ensure project success
- Complete transparency of the internal supply chain
- Harmonization of planning processes across all operational departments



August Rüggeberg GmbH & Co. KG, Pferd tools, is a leading international manufacturer of tools for surface finishing and cutting materials. The product range comprises more than 7,500 "PFERD"-branded tools for a diverse range of applications ranging from rough grinding to mirror polishing: files, burrs, mounted points, fine grinding and polishing tools, diamond and CBN tools, grinding disc and abrasive cutting-off wheels, stationary cutting-off wheels, technical brushes and tool drives. The company was founded more than 200 years ago and has been headquartered in Marienheide, Germany, for more than 100 years. Today, the company has 20 subsidiaries around the world as well as manufacturing sites in Germany (2), Spain (2), South Africa (1) and U.S. (1).

**Get There Faster.™**

**“With the assistance of IDS Scheer Consulting, we have taken a step closer toward our goal of supporting all our core SCM processes with SAP. Implementing SAP APO has significantly improved transparency and deadline compliance in production planning.”**

Manfred Flemm | Head of Logistics and Human Resources | August Rüggeberg GmbH & Co. KG, Germany

## Business challenges

One of the success factors in reaching economic growth at Rüggeberg is the high degree of customer orientation. This is practically demonstrated by the wide range of products with a high level of promptly delivery as a catalog retailer. Rüggeberg wanted to maintain its customer focus while optimizing internal workflows by replacing the Fi-2 production control center with the detailed scheduling functionality of SAP SCM. The new functionality would enable planning processes to be harmonized across all operational departments and transparently mapped in SAP. The new technical solution would also support end-to-end planning of the internal and inter-company supply chain.

## Solution

As a long-standing IDS Scheer Consulting customer, August Rüggeberg GmbH & Co. KG was well acquainted with the consultant's expertise in the field of supply chain management. A major benefit for Rüggeberg was that IDS Scheer Consulting had the required method tools to successfully combine SCM processes and IT solutions. Members of the project team drawn from the two companies also adhered to a detailed, timed project phase plan with defined results, which were monitored at regular steering meetings. The phase plan was used to create work packages with dates and team definitions, which were likewise scheduled and monitored. Project progress was, thus, always clearly documented and readily available. A particular challenge was presented by the complex production structure with its technology-supported execution, which was mapped using new class logic in SAP. It was also necessary to implement multi-level sequence matrix logic to take into account dynamic setup times. After initiating the business planning process in SAP R/3 based on an unchanged MPR run, the planned orders thereby

created were converted into production orders by Rüggeberg's proprietary software, prioritized and transferred to SAP APO. The approximately 1,000 production orders containing around 5,000 steps are forwarded to the 100 production resources using Rüggeberg's own DS heuristics, which are tailored to the company's detailed planning requirements. The feasible production dates are calculated and transferred back into SAP R/3, where they are available for all further logistics processes.

## Customer benefits

SAP production planning at August Rüggeberg is now fully transparent, which has greatly facilitated harmonization of planning processes across operational departments.

The planning department can focus more on key issues, such as:

- Clarifying exceptions
- Early identification of planning bottlenecks
- Configuration of thresholds to define exceptions or their priorities

Transactions can also be rescheduled to a resource or across all resources via drag-and-drop. The result is significantly more efficient planning transactions. This SCM project succeeded in mapping complex production structures via a broad range of production alternatives using a class system. It also mapped the complex sequence matrix logic to take account of dynamic setup times, thus harmonizing internal processes with the new requirements. Rüggeberg has fully upgraded its planning methods and is well placed to handle future growth.

## KEY COMPONENTS

**IDS Scheer Consulting** combined SCM processes and IT solutions. The implementation of SAP APO improved transparency and deadline compliance in production planning.

Take the next step to get there - faster.

## ABOUT SOFTWARE AG

Software AG is the global leader in Business Process Excellence. Our 40 years of innovation include the invention of the first high-performance transactional database, Adabas; the first business process analysis platform, ARIS; and the first B2B server and SOA-based integration platform, webMethods.

We offer our customers end-to-end Business Process Management (BPM) solutions delivering low Total-Cost-of-Ownership and high ease of use. Our industry-leading brands, ARIS, webMethods, Adabas, Natural, CentraSite, Terracotta and IDS Scheer Consulting, represent a unique portfolio encompassing: process strategy, design, integration and control; SOA-based integration and data management; process-driven SAP implementation; and strategic process consulting and services.

Software AG - Get There Faster

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