



Success Story

KRAH GROUP, Drolshagen

## Joy in resistance! it.automotive in the midmarket

»As a global, medium-sized automotive supplier we expect investment security from our ERP software and leading industry expertise from our consultants. That's why we have chosen the internationally operating itelligence AG to implement their widely used SAP ERP industry solution it.automotive supplier.«

Christian Hermann, Managing Director and ERP Project Manager, KRAH GROUP

**itelligence** NTT DATA Business Solutions

Investment security in the automotive supplier industry

## One step closer to your business objectives with the right ERP software

KRAH GROUP, a leading manufacturer of wire-wound power resistors supplies numerous customers from various industries including automotive, household appliances, medical technology, drive-, railway- and industrial engineering as well as consumer electronics with electronic components. Companies like Ferrari, Audi, VW, BMW, Mercedes Benz, Opel, SIEMENS, BOSCH, Miele, Viessmann and many more rely on quality products from Drolshagen.

At an early stage, the company recognized the importance of an international presence in order to grow. To meet this challenge now and in the future, special focus must be paid not only on operational and strategic activities but also on the enterprise software as standardized and transparent processes are the basis for international success. For this reason the new ERP software had to meet a number of requirements: the solution needed to unify and standardize all company-wide processes and functions as well as optimize the inter-company business. In 2009 KRAH therefore decided to replace the old system WEIGANG Structura with a SAP system and chose itelligence as the consultant.

### Go-live after just six months

In July 2009 a target-oriented and cooperative partnership was formed: Together KRAH and itelligence started to draw up the implementation concept for the SAP landscape. Requirements to the system were soon formulated: scalability, transparent business processes suitable for the automotive industry, support of inter-company processes, internationality, and investment security. Following this, itelligence implemented the SAP-based ERP industry solution 'it.automotive

supplier' at the headquarters in Drolshagen and in five other accounting areas across Germany after just six months. Thanks to preconfigured processes major additional programming could be avoided – saving time and money. The itelligence's industry solution was adapted to the customer's needs and had gone productive. Next to the logistics modules Sales and Distribution (SD), Materials Management (MM), Warehouse Management (WM), basic structures of Plant Maintenance (PM), basic structures of Product Lifecycle Management (PLM), as well as Production Planning and Control (PP), the project also comprised the commercial modules Financial Accounting (FI) and Controlling (CO) as well as parts of Project System (PS).

Added value in the automotive industry starts with the supplier: seamless logistical processes, a strong network with the customer and supplier market as well as high quality requirements pose significant challenges to decision-makers in the automotive industry.

With it.automotive supplier based on SAP Business All-in-One, KRAH GROUP has a fully integrated automotive specific industry solution, which allows the company to seamlessly plan, steer and monitor logistical processes. From sales contract, submitted by EDI, through production planning and control to dispatch – KRAH's entire supply chain is supported and a solid overview of financial and production figures is provided. Since the automotive supplier is very closely linked to the supply networks, interfaces to the Seeberger EDI converter build an optimal connection to external customer systems. This extra function simplifies the delivery and JIT processes according to VDA (Verband der Automobilindustrie) specifications with various automotive customers.





A further 3 systems were successfully integrated into SAP ERP: the QM solution CASQ-it CAQ by Böhme & Weihs, in the area of production control the production feedback of the shop-floor MES system by MPD and the archiving system DOCUWARE. Nearly a year later, the HCM module for payroll administration and accounting was added. With SAP ERP KRAH also has a powerful analytical tool enhancing the company's compliance with legal regulations.

“Due to growing globalization of our business we need an integrated, modern ERP system with transferable business processes. In itelligence we have found a SAP industry specialist, who completely integrates the comprehensive business process requirements of a SME automotive supplier. The project was characterized by professionalism and creativity, deriving from itelligence's longtime industry expertise. It is a pleasure, to implement a SAP project with a partner at eye level, who

speaks the language of the industry and realizes the project on budget and on time.” says Christian Hermann, Managing Director and ERP Project Manager at KRAH.

»It is rare that you meet a company that so consistently addresses the wishes of their customers. I am really pleased that we can support KRAH GROUP – a hidden champion in the automotive supplier industry – to meet their future optimization and growth objectives with our solutions and expertise. «

Meinolf Schäfer, Midmarket Sales, itelligence AG

### Green light for further projects

Due to the smooth running of the project and fast implementation of the system, KRAH GROUP and itelligence planned the roll-out in two other German production plants one year later. The roll-out in a further three production plants in Slovenia took place 12 months later.

## KRAH GROUP – hidden champion in the Sauerland

KRAH has become a global player with subsidiaries in Europe, Asia and the Americas. KRAH products are well-known for its consistently exceptional quality worldwide. At present, the company's products are developed and manufactured by approximately 1,600 employees at 10 sites throughout the globe. In 2013 KRAH GROUP realized a turnover of about EUR 130 million.



**Name:**  
KRAH GROUP

**Sector:**  
Automotive supplier of electric resistors

**Company Size:**  
1,800 employees

**Revenue:**  
130 million euros (2013)

**Headquarters:**  
Drolshagen, Germany

**Subsidiaries:**  
Germany (Dömitz, Knittlingen and Lüdenscheid), Czech Republic, Italy, Slovenia, Switzerland, USA, Brasil, China and India

Here, the partner defined international standards, to guarantee a consistent mapping of the company. To achieve this, itelligence closely followed pre-configured processes and functions as well as system settings done in Germany in the implementation of the rollout. This way, the roll-out in the three production facilities in Slovenia could be realized after just seven months. For an export-oriented SME, such as KRAH, it.automotive supplier (the itelligence industry solution for the automotive supplier segment) offers best conditions: scalability, internationality and investment security. With a company-wide system landscape and worldwide standardized business processes KRAH is best equipped for the future and further growth!

### SAP from a single source

Under the motto "project and operation from a single source" KRAH GROUP ensures synergies and benefits from itelligence's SAP hosting know-how. After go-live KRAH evaluated the option to run the SAP system in a data center and finally entrusted itelligence AG with the SAP Application Hosting. This way, KRAH enjoys reliable data protection and archiving concepts, future-proof hardware and software, a safe infrastructure and high availability of the whole SAP landscape in the itelligence data center at any time. With the help of itelligence's support and service organization, KRAH can fully concentrate on its core business, while taking advantage of itelligence's special know-how in SAP products and releases and enjoying maximum data security.

### Facts & Figures

**Solution:** it.automotive supplier in Germany and further roll-outs in Slovenia and China

**Project duration:** 6 months

**Users:** 230 SAP ERP users

**SAP modules used:** Financial Accounting (FI), Controlling (CO), Sales & Distribution (SD), Materials Management (MM), Warehouse Management (WM), Quality Management (QM), Production Planning & Production Control (PP), Basic structures of Product Lifecycle Management (PLM), Human Capital Management (HCM), Project System (PS), Basic structures of Plant Maintenance (PM)

#### Benefits:

- Mapping of all processes in one integrated pre-configured solution
- Increase of scalability, high transparency for all data and information
- Permanent availability of all relevant information
- Implementation security thanks to proven SAP industry solution
- Investment security based on a future-proof ERP solution from the market leader SAP