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Wolfgang Rolf, Cross-Enterprise Applications Manager,
Hamburger Hafen und Logistik AG

AT A GLANCE

Company

- Name: Hamburger Hafen und Logistik AG (HHLA)
- Location: Hamburg, Germany
- Industry: Logistics service providers
- Products and services: Seaport operations
- Revenue: €700 million
- Employees: 4,100
- Web site: www.hhla.de

Challenges and Opportunities

- Poorly integrated interfacing between disparate third-party software systems
- Difficult data exchange with subsidiaries
- Inadequate supply chain transparency
- Time-consuming balance sheet closing processes

Objectives

- Deploy a leading-edge, future-ready architecture platform
- Drive system integration to the next level
- Enable collaboration and enhance communication among systems and across business units
- Improve support for international accounting standards and accelerate balance sheet process

SAP® Solution and Services

SAP® ERP application

Why SAP

- Over 15 years of successful cooperation with HHLA
- Integrated software modules

Benefits

- Enabled an integrated, coherent enterprise resource planning landscape
- Eliminated interfaces among systems and across business units
- Provided an open system
- Afforded Web enablement

Existing Environment

SAP software, Navis software, and standard proprietary logistics software

Third-Party Integration

- Database: IBM Informix, migrating to Oracle
- Hardware: Hewlett-Packard, migrating to Siemens
- Operating system: UNIX

HAMBURGER HAFEN UND LOGISTIK

Logistics Leader Sets Sail for the Future with Next-Generation SAP® Software

Hamburger Hafen und Logistik AG (HHLA) – a leading logistics group in the German seaport industry – ensures the efficiency of the world-famous port of Hamburg as a multimodal logistics hub. With its four business sectors – container, intermodal, logistics, and real estate – HHLA is well positioned along the entire transport chain. One of the core competencies of this fast-growing enterprise is the handling of more than 6 million standard containers in Hamburg per year.

SAP® Software at the Heart of the Hamburg Harbor

Keeping this bustling enterprise, with its roughly 25 subsidiaries and affiliates and 4,100 employees, operating efficiently takes leading-edge information technology. HHLA is currently wholly owned by the city-state of Hamburg, but it is preparing to go public. In order to do so, the port operator needs to streamline every aspect of its business to show it is highly competitive and well equipped to face future challenges. That means keeping pace with technology; integrating systems across vendor, department, and company boundaries; accelerating processes; enhancing collaboration; gaining transparency across the organization and its supply chain; and bringing balance sheets up to international standards.

For their shared enterprise resource planning (ERP) infrastructure, HHLA and its subsidiaries have relied on SAP® software. “Our SAP back-office software has been the sturdy and reliable backbone of our corporate administration for over 20 years,” says Wolfgang Rolf, cross-enterprise applications manager at HHLA. “For us, the key benefit is having one integrated, easily expandable set of applications interacting seamlessly, based on standard technology that is both flexible and stable.”

In the equipment maintenance business, HHLA uses its SAP software across the entire range of processes, from customer service to project management, from corrective and preventive maintenance to cost collection. In the real estate sector, SAP software enables HHLA to manage its fixed assets efficiently, calculate and collect rent, keep track of utilities, and much more. “SAP ERP software is truly comprehensive,” says Rolf adds. “It has eliminated manually coded interfaces, system breaks, and bottlenecks across the board.”

Although HHLA has had no reason to look for change, emerging technologies are beckoning with a vastly expanded range of functionalities and possibilities. To keep up with this evolution, HHLA decided to embrace the next generation of SAP software. “The leading-edge, service-oriented software architecture we want,” says Rolf, “is available in the form of a technical upgrade to SAP ERP 2005. This will give us advanced functionality, expand our system reach, enable deployment of next-generation applications, and further increase efficiency – without disrupting our employees’ daily business routines. In addition, SAP ERP provides comprehensive support for international accounting standards, a necessity for us as we continue to grow.”

With the project under way Rolf is excited about the prospects of running a state-of-the-art environment based on the SAP NetWeaver® platform. “The unique aspect of this upgrade,” he says, “is that we keep all the familiar, proven functionalities of our ERP system up and running while rebuilding the underlying architecture. Employees will just need to be briefed about a few new aspects of their software, that’s all – yet we are gaining a host of new options and possibilities.”

Weaving the Web Across Businesses

Supporting collaboration and enhancing communication are major focal points for HHLA. “Our sourcing and purchasing operations need more visibility into their complex supply chain to make smart decisions and monitor the delivery and cost of goods effectively,” explains Rolf. “Web enablement allows us to extend our system reach across the entire supply chain and introduce an effective supplier relationship management system. We will communicate more directly with our suppliers and gain real-time insight into ongoing transactions. Suppliers will soon be able to log on to our systems to exchange information with us such as bids, orders, or shipment data, helping us and them streamline these business processes.”

Web enablement also reduces administration overhead in other areas. “Our human resources department’s online employee self-services are going to be expanded,” says Rolf. “By allowing employees to update personal data such as address or health

insurance changes, submit vacation requests, manage expense accounts, or retrieve compensation information online we will save substantially on our HR costs.”

The open, enterprise service-oriented architecture of the SAP ERP application is a key element for standardizing the IT environment at HHLA. “The open SAP NetWeaver platform will integrate proprietary and third-party applications more tightly,” says Rolf. “We will be able to closely link all processes across our business units to boost efficiency and overcome system gaps. The number of interfaces can be reduced drastically. Plus, we are preparing the ground for future innovative additions to our software landscape.”

On Course for New Shores

For a market leader in logistics, keeping up with the evolution of technology is crucial. “We have always stayed up-to-date with the innovation cycle,” Rolf concludes. “It ultimately makes us more efficient and lowers our costs. The platform upgrade will expand our technological potential tremendously and support our business objectives for years to come.”

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