CINTERION

STREAMLINING COLLABORATIVE ENGINEER-TO-ORDER PROCESSES

QUICK FACTS

Industries
High tech, telecommunications

Headquarters
Munich, Germany

Web Site
www.cinterion.com

SAP® Solutions and Services
The SAP® Product Lifecycle Management application, including the subcontractor collaboration functionality of the Collaboration Folders application

Implementation Partner
bdf consultants GmbH

Cinterion Wireless Modules GmbH supplies innovative wireless modules for cellular machine-to-machine communication. For efficiency, Cinterion replaced its legacy product lifecycle management system with the SAP® Product Lifecycle Management application. The SAP solution supports Cinterion's engineer-to-order processes by enabling the collaborative exchange of manufacturing data with subcontractors, helping the company create responsive supply networks.

Key Challenges

- Support spin-off from parent company with product lifecycle management (PLM) system
- Develop efficient process for qualifying external suppliers
- Create integrated process for sourcing, engineering, project management, external production, and document control
- Enhance engineer-to-order process with collaborative supplier information exchange

Why SAP Was Selected

- Complete, integrated, scalable business solution to replace legacy PLM software
- Ability to grow scalable solution with changing business needs
- Robust PLM functionality
- Ability to publish complex product data throughout supplier network
- Support for company growth
- Powerful and flexible product structure

Implementation Best Practices

- Deployed selected ASAP methodology components
- Conducted rapid prototyping during consultant-led workshops
- Built incentive for on-time completion into contract with implementation consultant
- Executed role-specific training

Low Total Cost of Ownership

- Deployed software on time, in just 9 months
- Simplified implementation using ASAP methodology
- Deactivated costly legacy systems, reducing maintenance costs
- Reduced total cost of ownership of engineering systems

Financial and Strategic Benefits

- Eliminated legacy system maintenance costs
- Took advantage of robust PLM functionality within existing SAP software
- Enabled more responsive supply networks
- Increased communication speed between manufacturing facilities and suppliers

Operational Benefits

Key Performance Indicator	Impact
Product quality improvement	+20%
Flexibility to choose best component suppliers	+60%
Flexibility to choose best external manufacturing partners	+80%
Manufacturing cycle time	-10%

CINTERION
WIRELESS MODULES

"The SAP software helped us optimize the entire component qualification process as well as the product release process. These new-product lifecycle efficiencies will support our company's growth."

Annette Boelcke, Team Leader, Mechanical Design Systems and Support, Cinterion Wireless Modules GmbH

www.sap.com/contactsap

Wired for New Success

Becoming an independent company after years of functioning as a small part of a larger organization presented dramatic opportunities for Cinterion Wireless Modules GmbH. The company, which develops engineer-to-order wireless modules for the cellular communication industry, was spun off from Siemens AG in June 2008. Recognizing the need for a product lifecycle management (PLM) solution that could optimize its engineer-to-order processes and support integrated product development, Cinterion chose SAP® software.

Based in Munich, Germany, Cinterion is the worldwide leading supplier of wireless modules for machine-to-machine communication. The company designs, engineers, and manufactures innovative modules to meet the specific requirements of its customers. Cinterion prides itself on providing dedicated engineering and customer support as well as superior quality products and rapid time to market.

Change for the Better

To meet its customer service goals and support its transition to a smaller, engineering-focused company, Cinterion needed a sophisticated PLM solution.

Cinterion needed software that could not only manage product data but also integrate with its existing SAP ERP application, support collaboration with suppliers, and streamline engineering processes. After evaluating products from three vendors, Cinterion selected the SAP Product Lifecycle Management (SAP PLM) application because it offered the most complete integration with its SAP ERP software and the greatest scalability.

Thanks in part to streamlined ASAP methodology and rapid prototyping performed by implementation partner bdf consultants GmbH, Cinterion deployed SAP PLM in just nine months.

Responsive Supply Networks

Today Cinterion's engineers use SAP PLM to support the company's complete engineer-to-order process. The new SAP PLM environment integrates with the company's mechanical and electronic CAD software and manages all technical documents. The system passes product information from the PLM database to the company's SAP ERP application for use with its sales and logistics processes. Using the Collaboration Folders application of SAP PLM, Cinterion can publish complete sets of product data, which subcontractors use to support manufacturing activities.

Engineers use the new system to qualify parts for the wireless modules, identifying appropriate suppliers and creating a master data record for each part. They also use SAP PLM to build a structure for each product, manage documentation, track status, and develop an integrated production plan. This plan supports collaboration with all contract manufacturers and helps Cinterion enable responsive supply networks.

Value in Collaboration

By replacing its legacy PLM system with SAP PLM, Cinterion has achieved significant strategic and operational benefits. The company is realizing new competitive advantage by communicating more effectively with suppliers and bringing products to market more quickly. It has also reduced its maintenance costs.

Looking forward, Cinterion expects to expand the use of its SAP PLM solution to gain additional efficiencies in component supplier qualification and collaboration as well as in managing new product introductions. Annette Boelcke, team leader for mechanical design systems and support, says, "With SAP PLM, we have created a foundation for better control of our complete product lifecycle processes."

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