

**SAP Customer Success Story**  
**Industrial Machinery and Components – Compressors**



**“SAP xApp Product Definition allows us to shorten our innovation cycle and systematize our innovation processes.”**

Falko Lameter, Head of IT, KAESER KOMPRESSOREN GmbH

**AT A GLANCE**

**Company**

- Name: KAESER KOMPRESSOREN GmbH
- Location: Coburg, Germany
- Industry: Industrial machinery and components
- Products and services: Compressors
- Employees: Over 3,000
- Web site: www.kaeser.de
- Implementation partner: SAP® Consulting

**Challenges and Opportunities**

- Adapting to software-based method of generating ideas
- Developing a methodology for discovering, collecting, structuring, and organizing ideas

**Objective**

To create a single process by which to reliably gather ideas submitted by employees and customers

**SAP Solution and Services**

SAP xApp™ Product Definition (SAP xPD) composite application based on the SAP NetWeaver® platform

**Implementation Highlight**

SAP xPD implemented in just 6 months

**Why SAP**

- Software is easy to use
- Integration with other IT components is straightforward

**Benefits**

- Innovation processes can be clearly mapped
- Installation is quick and easy
- Innovation processes and time to market are accelerated

**Existing Environment**

- mySAP™ ERP application
- SAP NetWeaver, including the SAP NetWeaver Portal, SAP NetWeaver Application Server, SAP NetWeaver Business Intelligence, and SAP NetWeaver Exchange Infrastructure components

**Third-Party Integration**

- Database: Microsoft SQL
- Hardware: Hewlett Packard
- Operating systems: UNIX, Microsoft Windows Server 2003

## KAESER KOMPRESSOREN

### SAP® xApp™ Product Definition Gives Machinery Leader Method for Systematic Innovation

KAESER KOMPRESSOREN GmbH was founded in 1919 as an engineering workshop. Today, one of the world's leading suppliers of compressors and compressed air systems, it is still a family-run business. About 3,000 employees work at the company's three main locations in Germany and France. Numerous other sites on other continents make KAESER's air compressor systems and its wide range of products and services available worldwide.

Enthusiasm for innovation and high standards of quality are two of the factors that made it possible for the company to expand and enjoy above-average growth for many years. "Being innovative makes it easier to achieve growth, because new, innovative products are easier to sell. But you have to remember that the shorter product life cycles become, the more you have to invest in innovation," Falko Lameter, head of IT at KAESER divulges his company's insight.

### Gathering Ideas Continuously

KAESER has shown a steady commitment over the last years to set up a unified, enterprise-wide IT platform based on the mySAP™ ERP application and the SAP NetWeaver® Portal component, part of the SAP NetWeaver platform. Today, almost all of KAESER's locations are equipped with the software. However, what was missing all along was an IT component that could efficiently support the company's innovation process throughout the enterprise.

Obviously, departmental meetings provide a useful forum in which to discuss new ideas. But KAESER simply did not have a true end-to-end system for accurately and immediately recording the ideas put forward by its employees and customers. During the search for an appropriate solution, KAESER's attention was drawn to the composite applications from SAP and to the SAP® xApp™ Product Definition (SAP xPD) composite application in

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particular. SAP xPD is based on SAP NetWeaver and delivers on the concept of enterprise service-oriented architecture. This meant that ideal conditions were already in place at KAESER for a seamless connection to SAP NetWeaver Portal and to existing software solutions through the SAP NetWeaver Exchange Infrastructure component. “This ease of integration made SAP xApp Product Definition an obvious choice,” says Lameter.

“The kind of innovation process that we eventually want to trigger in our new system obviously needs time to develop. So our first step will be to cover the phase from the original idea to concept specification,” says Lameter, explaining how the new solution will initially operate.

### Embracing New Technology

The project to implement SAP xPD kicked off in February 2004, and process definition began in April. The specialists from SAP Consulting who worked on the project were so efficient that the solution was already up and running in August 2004. The next challenge is the worldwide rollout of SAP xPD, although this should not pose any problems, because the KAESER workforce responded positively to the new technology from the very beginning. “Everyone knows that you can't make progress unless you are prepared to do new things,” remarks Lameter, summa-

rizing the general attitude at his company. With SAP xPD, KAESER now has a tool that maps the company's processes clearly yet – at the same time – allows those processes to be finely tuned to match changing requirements. This means that the company can define precisely which work results are required for a particular concept, or whether prototype tests and cost-efficiency analyses are necessary.

### Innovation Processes Can Develop Across a Broader Base

It may take a while before KAESER employees begin to use SAP xPD routinely. Although they have not reported any problems with operating or understanding the solution, the employees never had a standard procedure for idea management before. They need time to assimilate this fundamental change in how ideas are collected and processed. The new method this solution offers has to settle in.

But progress is already being made. An initial benefit of the new solution is that employees are looking more and more closely at how the innovation process actually works. The chances are great that the whole topic of innovation at KAESER will develop across a broader base. And apart from supplying extensive

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functions for discovering, collecting, structuring, and organizing ideas, SAP xPD fulfills another requirement: promoting teamwork. “This in itself is enough to make the solution an absolute ‘must’ for our company,” explains Lameter. After all, teamwork is the very lifeblood of KAESER's development work. And when it comes to return on investment, Lameter has a very individual definition: “We've reached the point of ROI when our employees begin using SAP xApp Product Definition and integrating it into their daily routine.”