



Company

Company

Why SAP

Solution

**Benefits** 

Implementation

Japan Display Inc.

Vision

**Industry** High tech

**Products and Services** 

Liquid crystal display devices

**Web Site** 

www.j-display.com

**SAP® Solutions** 

SAP® ERP for Manufacturing rapid-deployment solution, implemented with a cloud-based quick start by the SAP Services organization



Future plans

How does a new company the size of Japan Display Inc. (JDI) generate **solid earnings from day one?** JDI, the world's largest manufacturer of small and medium-sized liquid crystal displays, relies on the SAP® ERP for Manufacturing rapid-deployment solution to drive business process standardization. Rolled out in less than six months using a cloud-based quick start, the solution supports JDI in achieving sustained operational excellence and profitable growth.



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## World's largest maker of small and medium-sized displays

Japan Display was founded in 2011, when Sony, Toshiba, and Hitachi merged their display divisions to achieve economies of scale. When three of the world's leading makers of displays join forces, you can expect the outcome to be big. From the first day of business operations, JDI has expanded its turf as the world's largest maker of small and mediumsized displays.

Drawing on cutting-edge technologies from the three integrating companies, JDI manufactures high-quality LCDs for a wide range of applications.

These include smartphones, other mobile devices, consumer products, automotive electronics, medical devices, and industrial equipment. At the forefront of research and development for next-generation display technology, JDI pioneers technologies such as organic light-emitting diode (OLED) panels.

Headquartered in Tokyo, JDI employs some 6,200 people. In addition to Japan, the company operates in China, Germany, Hong Kong, Singapore, South Korea, Taiwan, the United Kingdom, and the United States.

"Japan Display shipped more small and medium-sized thin-film-transistor LCDs than any other manufacturer in 2012, according to NPD DisplaySearch."



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## Seeing is believing

Changing lifestyles and new ways of doing business are spurring rapid growth in multiple technologies. These range from wireless devices, intelligent automotive electronics, and consumer products like digital cameras to industrial technology. All of these technologies have one thing in common: they are creating an increasing demand for high-quality small and medium-sized displays in the global marketplace.

JDI is committed to capitalizing on this growth in demand through superior products – designed, developed, and delivered ahead of competitive offerings. The company's ultra-light media tablet (ULMT) display technology for the increasingly popular tablet PC is a case in point.

SAP ERP is a vital part of the framework that enables JDI to tune its business processes to the changing needs of the marketplace. Today, JDI is the world's number one player in its line of business. What's more, JDI is in an excellent position to further expand its market share.



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### **Faster time to solution**

Before their merger, the display divisions of Sony, Toshiba, and Hitachi were looking for the "right" enterprise resource planning (ERP) application for JDI. Above all, the application was expected to enable and support common processes across multiple JDI sites in various countries. This key requirement called for a software vendor with a strong global presence. JDI was also looking for the right methodology for bringing this application to bear within a very short time frame.

These requirements quickly reduced the number of contenders to a short list. SAP was selected for its

ability to demonstrate that the SAP ERP for Manufacturing rapid-deployment solution provided the right fit for JDI. This decision was further reinforced by Hitachi's long-standing relationship of trust and collaboration with SAP.

To get the software up and running quickly and accelerate its time to value, JDI turned to the SAP Services organization to provide a cloud-based quick start. This service combines preassembled software and content, hosting in a private cloud environment, and logistics services to move the software to its final infrastructure before it goes live.

"SAP provided a fast solution delivery, and SAP has the global footprint Japan Display needs for its business."



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## **Cloud-based quick start**

Using a cloud-based quick start, SAP Services provided preassembled software – configured, tested, and preloaded with content specific to JDI's needs. This predefined content was instrumental to the smooth deployment of SAP ERP at JDI.

Next, SAP Services moved the software – complete with the predefined content – to a private, secure cloud. It remained hosted in the cloud for just over a week while the infrastructure for local installation was finalized. During this time, JDI could access the preconfigured software from the cloud in a virtual "sandbox" to see it in action and fine-tune it using real-life data.

SAP Services then transferred the solution from the cloud to the local data center at JDI headquarters. The entire project – including the preassembly of content, cloud-based provisioning, fine-tuning, and local installation – was completed in only four months. Classroom training sessions helped ensure a smooth start for approximately 300 business users at JDI headquarters.

Within another two months, a single instance of SAP ERP was rolled out at the overseas sales organizations in China, Germany, Hong Kong, Singapore, South Korea, Taiwan, the United Kingdom, and the United States. This rollout brought more than 100 business users on board. All eight sales organizations switched to production mode within two weeks, enabling JDI to complete its quarterly closing settlement on schedule.

"SAP ERP was implemented very quickly and has delivered fast results."



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## **Consistent processes across business units**

Today, the business units of JDI rely on SAP ERP to drive standardized business processes. These include customer-facing activities such as order processing, delivery, invoicing, and order to cash, as well as inventory management, purchasing, and finance.

Experts from SAP Services helped JDI to strike the right balance between local requirements and standardization. "Initially, the challenge for JDI was in convincing our overseas business units that standardized processes would make life easier for them, too," notes Tomotaka Yano, senior general manager of information systems at JDI. "Running the same consistent processes on a shared application platform enables us to communicate in a common language."

The rapid deployment of SAP ERP at JDI has strengthened the ties between the company's IT organization and its business units. While the IT organization has deepened its understanding of the specific business needs in each country, the business units are aware of the benefits of process standardization. When it comes to expanding business operations or integrating additional sites, the business units at JDI rely on the corporate IT organization as their trusted advisor.

"Having a single standardized scenario in place enables us to operate more effectively and efficiently as a company."



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## In a nutshell: operational excellence

The cloud-based quick-start approach to deployment was instrumental to the fast time to value of SAP ERP at JDI. Big yet nimble, JDI was able to rapidly achieve operational excellence across its globally distributed business units. Robust business processes, standardized through SAP ERP, support JDI in consistently delivering on the expectations of its customers.

At the same time, process standardization delivers synergies that help JDI keep a tab on costs. For example, shared sourcing enables JDI to boost purchasing efficiency and reduce purchasing costs by an attractive margin.

Standardized business processes support the company in cost-effectively embracing change and also contribute to its bottom line. The global reach of the sales organizations at JDI helps the company make the most of windows of opportunity in the marketplace.

"Standardized business processes make it easier for Japan Display to expand and adapt to changes in a global business environment."



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# The optimal customer experience

JDI is committed to providing its customers with the best quality products in the shortest lead time in the marketplace. To deliver on this commitment, JDI is currently investigating ways of integrating unstructured data with SAP ERP to support its business processes. This unstructured data includes customer orders received via e-mail as well as market information. Yano trusts that this integration will help the company further streamline its processes and expand its market.





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