Valio: Going Live Smoothly Supports Business Continuity at Dairy Company

How does a dairy cooperative ensure its short-shelf-life products are produced and distributed to over 15,000 customers across northern Europe without delay? Since downtime could cost millions of euros in revenue loss and dairy product wastage, Valio Ltd. of Finland turned to SAP® Enterprise Support services for smooth software implementations and continuous improvement.

Partner

FUJITSU

Executive overview

Company
Valio Ltd.

Location
Finland

Industry
Consumer products – food

Products and Services
Milk and milk products, powdered ingredients, and logistics services for product distribution

Employees
4,300

Revenue
€1.9 billion

Web Site
www.valio.com

Partner
Fujitsu
www.fujitsu.com/fi

BUSINESS TRANSFORMATION

The company's top objectives

- Maintain leading brand status through product innovation
- Ensure reliable production and distribution
- Expand sales of all product segments in nearby markets

The resolution

- Selected SAP® Enterprise Support services to enable reliable operations and support innovation
- Utilized continuous quality checks provided via SAP Enterprise Support to prepare for implementations and minimize downtime
- Engaged with SAP experts to improve performance of systems

The key benefits

- Prevent revenue losses by minimizing planned and unplanned downtime
- Gain confidence in rolling out innovation with minimal disruption to business
- Enable continuous improvement through proactive maintenance of system landscape

Read more

"Because the SAP advisers within SAP Enterprise Support understand our needs and risks, they can provide proactive advice and expertise to help us run our systems efficiently and reliably."

Petri Yrjölä,, IT Manager, Valio Ltd.

TOP BENEFITS ACHIEVED

81%
Faster database response time

36%
Reduction in database volume

1 week
Faster deployment of SAP enhancement package

See more metrics

Executive overview

Company objectives

Resolution

Business transformation

Future plans

Enable innovation with minimal business disruption

Valio Ltd. is a 110-year-old dairy cooperative owned by Finnish dairy farmers. Valio, the leading dairy brand in Finland, is also strongly positioned in neighboring countries including Russia, Sweden, and the Baltic states, and operates subsidiaries in the United States, Belgium, and China. While most of Valio production plants are in Finland, it also runs production facilities in Estonia, Russia, and Belgium.

Valio also runs the largest logistics operation in Finland, processing up to 250,000 orders per day and delivering its short-shelf-life products reliably to over 15,000 customers. Valio delivers daily to most of these customers. The biggest challenge is to keep processes always working to avoid product spoilage and the loss of millions of euros of revenue.

The company produces and delivers its products using a combination of SAP® software and non-SAP-based solutions, and integrates its internal systems with the IT systems of large customers. Success lies in complete automation of the supply chain with minimal disruptions.

To continuously improve its business processes and innovate, Valio undertakes various system enhancements and software implementations. However, with the requirement for 24x7 system availability, Valio is only able to roll out enhancements or projects during two short maintenance windows each year, during April and October. Going live smoothly is an essential part of rolling out planned enhancements during these time windows.

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Business transformation

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SAP Enterprise Support helps make going live as smooth as cream

To proactively identify risks, ensure smooth deployments, and identify new opportunities to improve performance, Valio chose SAP Enterprise Support services. Valio's IT team enlisted SAP's support for two major projects: the implementation of an SAP enhancement package for the SAP ERP application and an upgrade of the SAP BusinessObjects™ Global Trade Services application.

During the enhancement package installation, Valio's IT team ran into problems it had never before encountered with its systems and which threatened to delay implementation by a couple of weeks. SAP advised Valio to take advantage of SAP Enterprise Support continuous quality checks and root cause analysis. While root cause analysis helped pinpoint the issue for resolution, continuous quality checks helped identify additional risks before they caused serious issues. By quickly isolating and fixing the problems, SAP Enterprise Support helped Valio avoid a week's delay in the implementation.

While implementing the SAP BusinessObjects Global Trade Services upgrade, the SAP team applied continuous quality checks to identify potential issues, monitor systems, and provide 24x7 support for going live. As a result, going live was smooth and helped avoid delays on many other projects.

"SAP Enterprise Support provides the expertise and experience that enables us to more quickly pinpoint and resolve problems and better identify opportunities for improvement."

Petri Yrjölä, IT Manager, Valio Ltd.

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Churning out a range of benefits

In addition to helping streamline implementations, SAP helped Valio update its third-party database to the latest release, enabling the company to avoid extended maintenance fees and make significant savings. Moreover, during the migration, SAP proposed database configurations that improved database response times by 81%.

SAP has also supported Valio in continuous performance improvement and reduction in total cost of ownership. For example, by applying a continuous quality check for data volume management, SAP was able to provide recommendations that will reduce Valio's database size by 36%.

KEY BENEFITS

1 week
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Future plans

Continuing close cooperation for optimal results

SAP remains involved in the early stages of future projects so Valio can proactively minimize risks and ensure that operations and going live with implementations runs smoothly. These projects include support for product lifecycle management, master data management, and supply chain efficiency. "We will continue to take advantage of SAP Enterprise Support because we've seen the value of this approach," concludes Petri Yrjölä, IT manager at Valio.

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