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Komax Group: Consolidating a Complex Network of Legacy Systems with SAP S/4HANA® Cloud

Komax Group is a pioneer and the market leader in automated wire processing solutions. For more than 45 years, the company has created innovative solutions that enable customers worldwide to meet their own manufacturing goals safely and efficiently. However, as the company grew, it acquired many subsidiaries across countries, all with their own ERP systems. Komax knew it needed to **reduce the complexity of its technology systems** to continue achieving its goals for future growth.

THE BEST RUN SAP

Connecting a Worldwide Family of Subsidiaries on a
Harmonized ERP Landscape

Before: Challenges and Opportunities
- Subsidiaries and independent agencies providing sales and service support in more than 60 countries
- Reliance on legacy systems and software facing end of maintenance that vary across subsidiaries
- Challenges related to implementing new technology during the COVID-19 pandemic

Why SAP
- Stable, reliable, and innovative ERP software with SAP S/4HANA® Cloud that provides process standardization and simplification
- Adaptability to a remote software implementation during the pandemic with the quick-start service for SAP S/4HANA Cloud
- Change management framework that enables users to see and use systems very early on

After: Value-Driven Results
- Plans to consolidate different ERP systems on SAP S/4HANA Cloud to reduce system maintenance effort and costs
- Eliminated IT complexity and enabled simpler integration of future business acquisitions
- Achieved a fully remote go-live on time and within budget after planning most of the project remotely
- Reduced interface costs and simplified methods of getting information into and out of ERP systems

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"As the market leader for wire processing solutions, we wanted to implement a solid platform for our growth. At the same time, we wanted to reduce the complexity of our legacy systems. SAP S/4HANA Cloud helped us **eliminate that complexity** and focus on our future growth."

Tobias Rölz, Executive Vice President Market & Digital Services, Komax Group

80%

Remote project delivery and 100% remote go-live of SAP solutions

Multiple

Different legacy ERP systems consolidated on SAP S/4HANA Cloud

Komax Group	**Industry**	**Products and Services**	**Employees**	**Revenue**	**Featured Solutions**
Dierikon, Switzerland www.komaxgroup.com	Industrial machinery and components	Automated wire processing for precise contact connections	2,000	CHF 418 million (US$454 million) (2019)	SAP S/4HANA Cloud, quick-start service for SAP S/4HANA Cloud, and SAP Analytics Cloud

THE BEST RUN **SAP**

Catering to Unique Customer Needs

Komax Group is a Swiss technology company with a global reach responsible for meeting the wire processing needs of a growing number of customers. Komax focuses particularly on the automotive, aerospace, telecom, and industrial sectors, and it addresses every degree of automation and customization with series and customer-specific machines as well as an extensive range of quality assurance modules, testing devices, and intelligent network solutions.

Komax relies on a network of subsidiaries and independent agencies in more than 60 countries to fulfill sales and support for customers. Since its founding in 1975, Komax has grown and acquired several companies that are delivering solutions along the wire processing value chain.

However, these acquisitions came with many different technology systems and business processes, which include engineer-to-order and configure-to-order models. Not only that, but maintaining each system was a costly and time-consuming endeavor. To enable efficient and synergized business operations, Komax knew it would need to modernize and simplify its complex technology landscape.

Komax sought to **replace or consolidate its many existing legacy ERP systems** stretched across the enterprise at various subsidiaries. However, this would be no small feat, as many of these systems faced end of maintenance. And the logistics of any new technology implementation would be limited by the restrictions of the imminent COVID-19 pandemic.

Eliminating Complexity Across a Growing Enterprise

Komax selected SAP S/4HANA® Cloud to harmonize its many existing ERP systems. The software provides a standardized ERP experience and a set of best practices that would streamline operations across subsidiaries at Komax while delivering innovation and automation capabilities to the entire enterprise.

As a global company, Komax tackled the software rollout in phases and began with subsidiaries in Japan and Germany. From there, it moved on to the Thonauer Group, which included several locations. However, the beginning of the COVID-19 pandemic complicated the project. Travel restrictions went into place during the go-live phase and prevented SAP experts from visiting. So Komax turned to the quick-start service for SAP S/4HANA Cloud to plan a fully remote go-live.

At the same time, the SAP Activate innovation adoption process provided a clear set of solution-specific practices that helped Komax successfully adopt SAP S/4HANA Cloud and additional offerings including the SAP Analytics Cloud solution. Komax knew that **SAP services would provide the expert insight needed** for a successful implementation on time and within budget, but it also selected SAP solutions to meet specific process needs.

For Komax, SAP S/4HANA Cloud could support different areas along the value chain and customers' corresponding requirements. The comprehensive ERP capabilities of the software work with standardized, configurable series machines and customer-specific systems. They also support Komax's subsidiary TSK Group, which develops and produces test systems and was using SAP R/3® software.

100%
Remote software go-live across six production and sales sites during the COVID-19 pandemic

Achieving New Efficiencies and
Enabling Additional Acquisitions

Komax achieved a successful implementation of SAP S/4HANA Cloud and additional SAP solutions amid the worldwide pandemic after strategizing with the team from SAP. Together, the project was completed 80% remotely. The later stages of the project, including go-live and hypercare, were 100% remote. Close collaboration between SAP experts and the Komax IT team helped close functionality gaps. Quarterly updates are running smoothly and have significantly reduced operational efforts for IT.

With SAP S/4HANA Cloud, the company now operates on stable, reliable, and innovative ERP software that provides process standardization and simplification. The modern capabilities of

SAP S/4HANA Cloud enable Komax to remain an industry leader and pursue new business growth. Today, Komax is prepared for future acquisitions and can easily integrate these acquisitions into the existing system landscape.

The quick-start service for SAP S/4HANA Cloud helped Komax review the configuration of its new software and plan for the first implementations in Japan and Germany based on a global template approach. The service helped identify best practices that would accelerate future rollouts at other subsidiaries in additional countries. In 2020, the implementation team from Komax won a gold SAP Quality Award for its fast project delivery.

Harmonized
ERP system landscape

Zero
Escalations during go-live

Meeting Future Needs with Modern Technology

In parallel with the implementation of SAP S/4HANA Cloud, Komax set its sights on implementing improved master data management software and processes that would better support digitalization. In doing so, **Komax opens the door for innovating with next-generation technologies** including artificial intelligence, automation, the Internet of Things, and others. SAP S/4HANA Cloud integrated successfully with the company's new third-party master data management software, which Komax sees as a reflection of the solid integration capabilities of SAP S/4HANA Cloud and the corresponding Cloud Integration capability within SAP Integration Suite.

This will support another aspect of Komax's business – developing and selling digital services. SAP S/4HANA Cloud can be integrated with the company's new master data management system to provide a secure, consistent database of data on customers, suppliers, products, and personnel.

SAP S/4HANA Cloud enables Komax to take advantage of the power of other SAP solutions as the company grows, the industry changes, and customer needs shift. Komax plans to use Ariba® Network to tap into the world's largest business-to-business network of buyers and suppliers.

"Our market will be very different in 10 years thanks to AI, Industry 4.0, and the IoT. **SAP S/4HANA Cloud and corresponding SAP products such as SAP Integration Suite give us the foundation we need** to harvest these innovations for our customers."

Tobias Rölz, Executive Vice President Market & Digital Services, Komax Group