



Autoliv accelerates data transfer and process integration with SEEBURGER Business Integration Server (BIS) simplifies B2B/EDI and ERP migration processes

Across Europe, automotive suppliers work with a cyclical business model. Due to this, it is important for companies to be well prepared and take measures in good time so as to ensure profitable and sustainable growth. Automotive suppliers pursue two different strategies for this: on the one hand, they look for new sales and growth markets, and on the other, they seek ways of reducing their own costs. For example, as a market leader for air bags and seat belts, Autoliv has been building up a new, high-growth division for preventive safety systems (active safety) for the past three years. On the cost side, the aim is to consolidate the IT landscape. For B2B/EDI (Electronic Data Interchange), the US/Swedish company uses Business Integration Server.

Different IT solutions slow down the data flow

According to the study »ERP Consolidation – Turning Many into One«, many different IT systems are in use, particularly in the manufacturing industry. This was also the case at Autoliv, which made use of 7 to 8 EDI and ERP systems, including Amtrix, Enterprise Collaborator, WinELKE, DIACAR and Movex, throughout its 32 locations. In addition, its 150 or so partner companies used different interfaces and standards such as OFTP ISDN, OFTP TCP/IP, AS2, OFTP2, FTP or VAN connections. This made consistent communication difficult.

Olaf Schwartz, Manager IT Business Competence Center, Autoliv: »As a result of the numerous systems, cross-site changes in the IT system were difficult, and in some cases impossible, to implement. Conversions cost a lot of time and money. There was more money to be saved with the various licencing models, some of which were even from the same manufacturer. In order to simplify data migration, the aim was to first install a central and consolidated EDI system, before switching the ERP landscape to SAP® ERP.«

Customer and supplier connections posed a challenge

Today's business world is a global one. Business networks require companies and their IT landscapes to meet a wide range of B2B/EDI requirements. On the customer side (in particular OEMs, but also other suppliers), there are many customer-specific EDI standards and systems. This is in addition to standardised formats. An EDI solution has to support standards such as OFTP2 while at the same time allowing individual adjustments to the customer systems. On the supplier side, however, the supplier base is becoming increasingly global. Many companies from China and Asia are increasingly entering the market. The EDI systems that were able to develop over 20 years in Europe have to be built up very quickly, in 4 to 5 years, in Asia. This requires EDI specialists.

All this is accompanied by two emerging developments on the OEM side. Olaf Schwartz: »We welcome the fact that the first customers have already switched to OFTP2. OFTP2 reduces operating costs and increases process security. However, we are seeing one negative development in the increased use of VAN providers, which generates huge costs for customers and providers with every transaction. To save these costs, we are planning meetings with customers and suppliers to drive forward the changeover to OFTP2.«

Advantages through many years of B2B/EDI experience and clear release strategy

In the company's selection of a central communication platform, SEEBURGER won through a clear release strategy, many years of experience in the B2B/EDI market and its product portfolio. Autoliv knew the B2B/EDI specialists from its own operation of WinELKE in Germany and a WebEDI platform for supplier connection in Europe and Asia.

»Another reason in favour of the solution is the trust in the application itself. In this respect, we regard SEEBURGER as the technology leader in the B2B/EDI sector,« says Olaf Schwartz. »In addition, they best complement the Autoliv business processes, in terms of both technology and innovation.«

Achieving the goal with a good enabling strategy

From 2010, the new B2B/EDI landscape was installed in a data centre by the international project team. The first migrations, as well as training and employee enablement, were carried out in the third quarter. During the initial migration projects, the SEEBURGER consultants were still at the helm. During subsequent project phases, Autoliv employees were independently responsible for migration in BIS, and the B2B/EDI experts simply provided support. The good teamwork between the Autoliv employees and the SEEBURGER consultants became clear at this point. This first joint implementation phase led to a rapid knowledge transfer, so that Autoliv's Spanish-led B2B/EDI team in Romania was able to take care of the other existing systems independently.

Dirk Gröner, Senior Vice President, SEEBURGER: *»This project focused on ensuring a safe investment for Autoliv. Autoliv wanted to be able to master and model the B2B/EDI system completely independently. The legacy systems only permitted some of these changes with difficulty, if at all.«*

Fast ERP migration thanks to a standardised mapping concept

The SEE-XML concept was the main factor in the decision to use BIS. With this double conversion concept, the migration from the previous ERP to the new SAP system was easier and faster, because only the mappings on the process side had to be adapted. The partner mappings are provided once per partner from the SEEBURGER library and then remain unaffected during the change of ERP systems. As a result, adjustments and tests involving every individual partner are not necessary. At Autoliv, this reduced the migration effort by one third.

Olaf Schwartz: *»In SEEBURGER, we have found a reliable partner. We are particularly pleased with the professional exchange between Autoliv employees and SEEBURGER consultants – even after the implementation. That's not common in this industry. Often, a lot of effort is put in at the start, but this usually falls off quickly after the implementation.«*

With BIS, Autoliv will stay competitive in the future

Autoliv is currently in the process of implementing SEEBURGER's high-availability solution in order to increase system reliability. SAP migration is still on-going, but approximately 800 partners have already gone live. Olaf Schwartz: *»Transfer of the financial division in Germany has already been completed, and this is currently being rolled out in all European plants.«* The new supply chain and logistics process is also being implemented in parallel. No problems are expected there either. The logistics processes can be implemented quickly thanks to Business Integration Server, the good collaboration with SEEBURGER and the option of independent use and adaptation by Autoliv.

Through uniform and central organisation, Business Integration Server creates more transparency, control and standardisation. These qualitative advantages enable Autoliv to save on EDI costs. The time-to-market has also improved considerably. Today, it takes just 5 to 10 days to make changes to the system, rather than the year needed before. Within 2 years, the company has thus been able to reduce EDI costs by half.