



ANCAP refines SAP performance with IBM *@server* iSeries solution

ANCAP (Administración Nacional de Combustibles Alcohol y Portland) is a Uruguayan state monopoly responsible for petroleum import, exploration and refinery processes, and producing Portland cement. With over 2,500 employees, the company has downstream operations in Uruguay and investments in upstream operations outside the country.

Back in 1997, ANCAP had set about revising its general business systems, as part of a Year 2000 readiness review, and selected SAP R/3 software. Andrés Skorodynski, CIO at ANCAP, explains: "We realized that the SAP solution would allow us to manage data from our multiple operations in a single solution, and offer significant enhancements in data quality and management.

"ANCAP had been using IBM AS/400® systems since 1990, and we were not inclined to change this: indeed, we had proof that the IBM systems were solid and dependable, providing maximum security, availability and reliability.

"Subsequently, in 2002, we planned to expand the SAP solutions and harmonize, or standardize, all modules on SAP R/3 4.6C. We decided to take

the opportunity to simplify our IT infrastructure, and look for possible consolidation solutions."

Consolidated power

ANCAP consolidated four AS/400 systems to two IBM *@server* iSeries Model 800 servers, each running two logical partitions (LPARs). One i800 server runs a production SAP R/3 LPAR, and a non SAP test and development LPAR, while the second server runs other business applications LPAR, and SAP development, 'sand box' and test LPAR. Both systems rely on IBM DB2 information management.

Before consolidation, SAP applications were distributed throughout ANCAP locations on separate servers, making it difficult to ensure that all parts of the business were working from the same data. With the greatly increased capacity offered by the i800 servers, there is now a single SAP instance supporting all users.

"Since we were extremely happy with our existing IBM technology, changing platform was never an option," says Andrés Skorodynski.

Overview

The Challenge

Implement additional SAP solutions and upgrade all modules to SAP® R/3® 4.6C; Integrate information across multi-site company; Reduce maintenance and administration costs

The Solution

Industry: Chemicals & Petroleum

Application: SAP® R/3®

Hardware: IBM *@server*® iSeries™ servers, IBM *@server*® xSeries for file and print services

Software: IBM DB2® /400, Tivoli® Storage Manager, IBM WebSphere® MQ
Services: IBM Global Services, IBM SAP International Competence Center

The Benefits

Single set of accurate up-to-date information available throughout the company; Lower Server maintenance and administration costs; Harmonized SAP R/3 applications for reduced system management costs; Lower system software licensing costs; Improved inter-departmental communications



"Retaining IBM **@server** iSeries meant that we could build on our existing skills and investment, and concentrate our resources on solving and improving our business issues. The i800 solution has a very low total cost of ownership, especially taking into account the reduced number of staff needed to administer the iSeries servers."

"The reliability of this solution is unquestionable, and is a major benefit for ANCAP," says Andrés Skorodynski. "By deploying the SAP and IBM solution, ANCAP has reduced complexity, improved its efficiency, and cut hardware and software maintenance costs."

Integrated benefits

The IBM Global Services team assisted ANCAP with the analysis of the workload on the existing four servers, and the IBM SAP International Competence Center helped to size the workload for additional SAP solutions to be implemented on the new solution.

"Both the IBM Global Services team and the Competence Center provided excellent support," comments Andrés Skorodynski. "and helped us to make the best SAP decisions."

Andrés Skorodynski reports that the integrated SAP solution has brought some unexpected benefits, too. Business units can now see and understand each other's needs and processes, improving liaison between departments and enabling better-quality decisions.

"There was a real transfer of knowledge from SAP and IBM, providing our project staff with all the tools needed for the transition and for further development."

Extended capabilities

The 1997 SAP implementation comprised core Financial modules, Cost Control, Fixed Assets and Materials Management. This has now been extended to include Plant Maintenance, Purchasing and Workflow, to further streamline ANCAP's business processes.

"Being able to implement SAP in planned stages was a major advantage for ANCAP, as it allowed us to tackle the most urgent areas first, and implement the solutions without business interruption. With assistance from IBM Global Services, we have eliminated what I would call 'operational islands,' and all users, regardless of where they are situated, have access to shared information.

"With IBM, ANCAP has automated processes and is saving money, time and effort. The IBM eServer iSeries solution enables us to deliver high-quality information to all ANCAP business users in real time."

Teaming up for success

At present around 450 users access the SAP system, with an average of 6,500 hourly transactions, peaking at 17,000. The system holds a total of about 80GB of data on internal disks in the i800 servers, and ANCAP is planning a storage area network (SAN) solution to increase data capacity and flexibility.

Data is managed principally through IBM Tivoli Storage Manager, and IBM WebSphere MQ provides connectivity to specialized production systems on other platforms.

Andrés Skorodynski reports that the SAP solution is transforming ANCAP: "SAP has integrated not only all our applications but also our departments and workflow processes. IBM, SAP and ANCAP worked together as a total

team for the success of the project, which is reducing our costs and producing excellent benefits."

"By deploying the SAP and IBM solution, ANCAP has reduced complexity, improved its efficiency and cut hardware and software maintenance costs"

Andrés Skorodynski



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