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Poppe & Potthoff GmbH, Werther
The perfect format for
communication: it.x-change!

»Thanks to it.x-change from itelligence, we've achieved the 100 percent VDA compliance that we, as an automotive supplier, have to offer manufacturers. This results not only in an effective and faultless communication with our customers, but also in considerable savings in our own company.«

Konrad Fischer, Director of Finance and Administration, Poppe & Potthoff GmbH

Whether we're talking about VW, Audi, Daimler-Chrysler or BMW – Germany's major car brands, along with many other companies, rely on pipe systems as well as common rail subsystems and components from Poppe & Potthoff GmbH, a German company headquartered in the Westphalian town of Werther. The pipe systems are manufactured at the Hungarian production plant in Ajka. And because the overall business is running extremely well, Poppe & Potthoff took over three companies in Belgium, France and the Czech Republic as well. In the United States the enterprise is supported by another American subsidiary. In order to work together effectively across national borders and companies, Poppe &

Potthoff uses the SAP R/3 ERP system. But, as a supplier for the automotive industry, the company also has to be able to communicate with manufacturers electronically according to the VDA standard – in line with the EDI norm defined by the VDA (German Association of the Automotive Industry). However, the EDI solution by Poppe & Potthoff was a non-SAP solution and not properly designed to meet the VDA requirements in an automated way. Thus some delivery schedules, credit memos and delivery notes had to be entered manually – a considerable amount of additional work and expense that the automotive manufacturers billed to Poppe & Potthoff. The manufacturers charged an average of

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Poppe & Potthoff GmbH

Offering innovative developments and products in the field of pipe systems as well as common rail subsystems and components, Poppe & Potthoff, headquartered in the Westphalian town of Werther, has gained significant market share in the area of premium car manufacturers. The key to success: Poppe & Potthoff has a considerable lead on its competition when it comes to know-how. Especially the company's latest generation of common rail subsystems with an operating pressure of 1,800 bar is on the verge of series-production readiness. Experiments with 2,000 bar systems are also already underway. The dynamic development has brought about above-average growth within the group of companies with its plants in Hungary, Belgium, France, the Czech Republic and the United States: Poppe & Potthoff has around 850 employees worldwide.



Name:
Poppe & Potthoff GmbH

Industry:
Metal processors and automotive suppliers

Products:
Pipe systems, common rail subsystems and components

Company size:
850 employees

Headquarters:
Werther, Germany

Sales:
EUR 132 million in 2006

Branches:
Hungary, Belgium, France, Czech Republic and the United States



EUR 150 per transaction – a pretty substantial loss with 30 to 40 shipping notifications every week. The only remedy was to use an SAP-based converter. Poppe & Potthoff opted for it.x-change from itelligence AG, because this EDI converter is based on the SAP NetWeaver XI/PI and thus enables electronic messages to be exchanged in compliance with both VDA and EDIFACT.

Every message reliably converted

it.x-change was first introduced at the Hungarian site in Ajka where delivery schedules, shipping notifications, credit memos and so on are processed successfully. In specific terms: If a manufacturer sends an article request to the Hungarian site in VDA format, for example, it is converted there into a DELFOR-IDoc (delivery/forecast) format with the help of it.x-change and transferred to the ERP system. The ERP system then updates the requirements automatically and triggers follow-on processes, such as planning, picking and shipping. In the case of a delivery, the SAP system at Poppe & Potthoff, in turn, first generates a delivery IDoc, which is transferred to the EDI solution via interfaces. There, the converter transforms it into a VDA 4913 document – in other words, into a delivery note that is sent to the manufacturer. The manufacturer copies the electronic document into its enterprise resource planning system automatically and sends Poppe & Potthoff a credit memos via the self-billing procedure. In this case too, it is converted into an IDoc that complies with the VDA 4908 norm – the posting is triggered. Thanks to this direct electronic communication via it.x-change, the Ajka plant now boasts an almost 100 percent adherence to customer delivery dates. Using kanban, production is controlled directly in line with customer requirements without the necessity of a manual release order entry as in the past. This means that the production plant can avoid unnecessary build-ups of stock and guarantee its customers more flexible response times.

More independence thanks to autonomous changes

The new solution distinguishes itself through another advantage: The new SAP-based EDI solution it.x-change can be precisely adapted to company requirements using conventional SAP programming knowledge. Changes and enhancements can thus be made within the own company.

In light of all these advantages, Poppe & Potthoff already has other projects in the pipeline: Since communication with car manufacturers is running perfectly, Poppe & Potthoff wants to expand EDI communication to cover its own suppliers as well. This would allow the company to generate planning proposals for delivery schedules, which are exactly in line with customer requirements – any changes of arrangements are triggered automatically as well. Poppe & Potthoff also wants to switch to it.x-change at the parent plant in Werther – where precision pipelines are produced for pipe and pump manufacturers – to exchange messages with customers from other industry branches just as easily and smoothly. Thanks to it.x-change from itelligence, everyone has the right connections.

Facts & Figures

Solution: Implementation of it.x-change

Hardware: HP

Operating system: Microsoft Windows 2003

Benefits:

- Full VDA compliance
- International exchange in EDIFACT format possible
- Faultless communication with manufacturers and suppliers
- Central installation based on the SAP standard
- Customers with ABAP know how can make their own adjustments