



LPG SYSTEMS

SAP® BUSINESS ALL-IN-ONE FIRMS UP AN OUT-OF-SHAPE ENTERPRISE SYSTEM

“With the help of Aegis Consulting and SAP, our enterprise systems are now in great shape.”

Philippe Angotta, Manager,
Customer Relationship Management,
LPG Systems S.A.

QUICK FACTS

Company

- Name: LPG Systems S.A.
- Headquarters: Valence, France
- Industry: Life sciences – medical devices and scientific instruments
- Products and services: Professional technologies designed for aesthetic care, slimming and contouring treatments, and tissular and osteomuscular reeducation
- Revenue: €70 million
- Employees: 220
- Web site: www.lpgsystems.com
- Implementation partner: Aegis Consulting

Challenges and Opportunities

- Replace an aging and unsupported enterprise resource planning (ERP) system that was on the verge of failure
- Provide an IT foundation to support the company's accelerating growth

Objectives

- Rapidly deploy a cost-effective, reliable, scalable solution that would handle all of the company's business process requirements
- Provide reliable, current, business-critical management information
- Allow the company to be more productive in its operations and more proactive with regard to its marketplace

SAP Solutions and Services

- SAP® Business All-in-One solution
- SAP Customer Relationship Management application

Implementation Highlights

- Rapid (9-month), very smooth implementation
- Extensive technology knowledge transfer from Aegis Consulting experts to LPG IT staff and end users

Why SAP

- LPG's requirements for scope, functionality, and cost met by SAP offering for midsize businesses
- Aegis Consulting's familiarity with the SAP solution and the consultant's simple but powerful implementation methodology

Benefits

- Provided a solid enterprise foundation for LPG's future growth
- Increased productivity by an estimated 15%
- Streamlined business processes
- Improved data reliability
- Provided financial and accounting information in real time
- Gave management access to strategic information
- Allowed LPG to be more agile in responding to market and competitive pressures

Existing Environment

JD Edwards ERP software

Third-Party Integration

- Database: Microsoft SQL Server
- Hardware: Hewlett-Packard servers hosted by oXya, an outsourcer

LPG

In countries where the population is aging and the cult of youth persists, the quest for beauty goes on. The practice of invasive surgery, such as liposuction, is on the rise along with the use of drugs made from toxins, such as Botox. But is there a better way to tuck that tummy, firm those flabby thighs, and lift a sagging derriere? The French company LPG Systems S.A. thinks so. But LPG's own rapid growth was being hampered by a flabby, out-of-shape enterprise resource planning (ERP) system that was not aging well. Faced with increasing competition, to make major inroads into this rapidly growing market, the company turned to the SAP® Business All-in-One solution.

LPG uses a technique called Endermologie, developed in 1985 by the company's founder, Louis-Paul Guitay. Providing a noninvasive rolling massage, the technique is known as the "Rolls-Royce of cellulite and body countouring treatments." Endermologie is featured in the company's latest machine used by beauty and healthcare professionals, the Cellu M6 Keymodule, a highly sophisticated, intelligent device that is rapidly gaining acceptance worldwide. Headquartered in Valence, LPG has 220 employees, and its annual turnover in 2007 was €70 million.

Out of Shape, Out of Time

"The ERP system that we had been using since 2000 was no longer able to efficiently support our business processes and our accelerating growth,"

recalls Philippe Angotta, who until recently was the company's IT manager and is now the manager of customer relationship management (CRM). "So we decided it was time for a change – and fast."

"The SAP CRM application is far and away the most cost-effective and powerful solution we examined."

Philippe Angotta, Manager, Customer Relationship Management, LPG Systems S.A.

Angotta and his team investigated several options, including offerings from Microsoft and Oracle. They also considered SAP. At first they were hesitant because they had heard that SAP ERP software was better suited for large corporations that could handle complex, expensive solutions. But

when they talked with their consulting partner, Aegis Consulting, they gained a whole new perspective into what SAP could offer to companies in the small to midsize range.

"We explained that a midsize company like LPG was a perfect candidate for the SAP Business All-in-One solution," says Michel Delporte, Aegis Consulting CIO. "It would provide all the in-depth functionality and the best practices LPG needed to run the entire company efficiently. The solution would offer an integrated view of the business and would easily scale and adapt to support LPG's escalating growth."

Angotta adds, "Another major factor in our choice of the SAP solution was that Aegis has a simple but powerful implementation methodology that would reduce the time to going live and greatly improve our chance of success. In fact,

the duration of the implementation was very short. We went live in only nine months – and that included a three-week time-out for our August vacation and a week off in December."



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Michel Delporte, CIO, Aegis Consulting

In addition to the Aegis methodology and the tools, methodologies, and pretested software in SAP Business All-in-One, several other factors made the implementation smooth and successful. For example, there was very little custom programming involved. “LPG and Aegis had jointly determined key success factors that would form the foundation of the implementation. To meet these criteria and to take full advantage of the best practices supported by SAP, LPG adapted our business processes,” Angotta says. This was possible because Angotta and his team had secured total buy-in and support from top management.

Involving the Users

In addition, the LPG IT group implemented a robust change management system. The group used the company’s intranet portal to inform all users and managers of progress and also to provide a forum for discussions and questions. Business users were involved from the very start of the project – Aegis created a prototype system early in the process and sought out end-user evaluation and approval for key functions. As a result, the implementation team was able to uncover and deal with potential problems up-front before the project had progressed to a point where fixes would be difficult, disruptive, and expensive.

“The real key to the success of this project was that it was not an IT project – it was an enterprise project,” com-

ments Angotta. “Key users of each function were involved in all the phases – from requirements definition to finally going live. Especially important was the time we devoted to extensive integration testing and the documentation of every step. When it was time to go live, there were no surprises.

“Also, Aegis did a good job training our people – there was a lot of knowledge transfer involved with this project.”

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Angotta continues. “We now have a skilled in-house group of people who know how to use the system and can explain it to others. Also, immediately after going live, we established a permanent team that is responsible for the functional evolution of the new information system to make sure it meets LPG’s future needs as the company continues to grow and evolve.”

The SAP Business All-in-One solution provides LPG with a simplified and intuitive work environment. With an easy-to-use interface, it gives the 105 LPG employees now using the software role-based access to the business documents and information relevant to their job responsibilities. It allows the employees the flexibility to access data easily

for ad hoc analysis and reporting. Like other SAP Business All-in-One solutions, the LPG software is built on the flexible SAP NetWeaver® technology platform.

Angotta says that implementing the SAP Business All-in-One solution totally transformed the way the company does business. For the first time, LPG had an integrated enterprise information system that supported the company’s

continuing growth, streamlined its business processes, and allowed it to meet its long-term strategic objectives. For example, the new materials requirements production planner, along with a simplified, flexible invoice process, has allowed the company to realize an estimated 15% gain in productivity. Also, key financial and accounting information is now available to management in real time – a capability that was not possible with the old ERP system.

Increasing Business Agility

Angotta notes that because the SAP Business All-in-One solution supports LPG’s business processes comprehensively and more closely meets the company’s business needs, LPG

has become far more agile in making changes that enable its continued rapid growth. For example, in less than one year LPG was able to consolidate and streamline its organizational structure by folding three previously separate subsidiaries into the main corporate framework. "With the SAP solution, we transferred the new arrivals' business processes to the corporate information system without difficulty," confirms Angotta.

With SAP Business All-in-One implemented successfully, Angotta turned his attention to LPG's customer information. "It was clear that our next step was the deployment of a really effective customer relationship management system," Angotta adds. "I changed job

titles – I am now the manager of CRM for LPG – and began investigating a variety of solutions. Once again, SAP proved to be the best choice. The SAP CRM application is far and away the most cost-effective and powerful solution we examined. Equally important is the integration between SAP CRM and our SAP Business All-in-One infrastructure – they both use the same database and speak the same language. SAP CRM also gives us much-needed business intelligence and business warehousing functionality."

"With the help of Aegis Consulting and SAP, our enterprise systems are now in great shape," Angotta concludes.



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