

PORTABLE POWER TECHNOLOGY SDN BHD (PORTABLE POWER)

THE THREE-MAN OPERATION PROVED THAT SAP BUSINESS ONE IS PERFECT EVEN FOR SMALL COMPANIES

QUICK FACTS

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Mr. Thomas Vun, Managing Director, Portable Power Technology Sdn Bhd

Summary

Headquartered in Petaling Jaya, Malaysia, Portable Power Technology Sdn. Bhd. (Portable Power) was established in 1993 specialising in the sale of batteries and portable power solutions. The company has an e-commerce site, www.sabahoceanic.com, that showcases more than 1,000 products for sale to both consumers and businesses in the industrial and defence sectors.

Website

www.sabahoceanic.com

Key Challenges

- Lack of integration between its e-commerce system and the business management system affects staff's productivity and increases the chance of human error during the data entry process
- Legacy accounting system was inflexible as it was unable to accommodate more than one customer contact detail and does not allow the company to place product details next to the product name

Project Objectives

- Upgrade business management system and integrate it with the e-commerce system

Solutions and Services

- SAP Business One

Implementation Highlights

- Implementation took three months

Why SAP Solution

- Proven solution that is used by many companies worldwide
- Reliable and stable
- Fulfils business requirements
- Powerful reporting capabilities

Key Benefits

- Expects return on investments (ROI) one year after going live
- Ensures data accuracy and integrity
- Gives greater insight to customers as it allows staff to key in more details into each person's profile
- Ability to extract business-critical data to aid decision making
- Improved business flow
- Reduced manual data entry and enhanced operational efficiency
- Allows staff to identify products quickly by allowing them to place product images and data sheets next to the product name
- Enables staff to retrieve relevant data with just a simple mouse click

Hardware

- Hewlett-Packard

Operating System

- Windows 2003



SAP Customer Success Story

Portable Power Technology Sdn Bhd, Malaysia



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The battery and portable power solutions supplier firmly believes that the superior engineering behind SAP Business One will catapult its business to an even higher ground.

The Germans – renowned for their engineering superiority and design prowess – have products so immensely desired by all and owned only by the well heeled. In the case of Mr. Thomas Vun, only one product would do when he was looking for a solution to solve his business challenges.

His three-man outfit runs a RM3 million (US\$942,000) company that sells batteries and portable power solutions to consumers as well as businesses mainly in the industrial and defence sectors. This ISO 9001:2000 Certified-company offers a wide range of standard and customised battery solutions with chemical compositions ranging from alkaline, lithium, silver oxide, zinc air along with rechargeable chemistries of sealed lead acid, nickel-cadmium (NiCd), nickel-metal hydride (NiMH) and lithium-ion.

In addition to its brick-and-mortar operation, the 15-year old Malaysian-based company owns a virtual storefront – www.sabahoceanic.com, which showcases about 1,000 products from its inventory to customers around the globe.

Inadequacies of the Old Ways

Although both Portable Power's physical

and online presence are critical to the business, its e-commerce and legacy accounting systems were not connected with each other. This created redundancies and lowered productivity as staff would have to enter data and upload product images twice when updating product pricing, details and specifications. Changes sometimes have to be done twice a day for 100 products, and reflecting these changes online can take them a few days to complete.

Furthermore, its accounting software was only able to accommodate just one customer contact detail. It also does not allow the team to place product pictures and data sheets next to the product name, which is very often just a number. "We cannot tell which product it is just by looking at a number. That is why it is crucial to have a system that allows us to easily identify the product," explains Mr. Vun.

For the new business management system that he was looking for, not only must it be able to address the inadequacies of this old system, it must be able to connect with the e-commerce front-end too. This would eliminate the double data entry work and allows product updates to be done just once,

and changes will be reflected immediately in both the enterprise management and e-commerce systems.

Additionally, the new system must be able to handle the multi-currency requirements of a business that has global customers. It must also be able to generate the data that customers enter online at the e-commerce site immediately into airway bills.

Deep Faith in the SAP Brand

Mr. Vun's confidence in SAP's ability to address all his business concerns is reflected in his decision to implement SAP Business One even without having to evaluate the solution. In fact, he reached the verdict only one week after SAP's implementation partner, ObTech Asia Pacific (ObTech) made the demonstration. "SAP is a well known brand. It is proven and used by many established companies around the globe. In this sense, they have already evaluated the software for us; there is no need for us to assess it further," he adds.

"Even though SAP Business One is a simpler tool as compared to other ERP systems, the advantages surpassed our expectations. This can be explained using the example of hot water and



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boiling water. The difference between the two is just one degree of heat. This may not seem like much, however, one can be used to make a relaxing cup of coffee while the other is capable of powering a 50-ton steam locomotive up a mountain.”

“Like that steam generated by boiling water, SAP Business One will surely and definitely bring our business to the next level.”

With the help ObTech, Portable Power’s SAP Business One solution went live on July 2007 after a three-month deployment period. This completes the first phase of the project where SAP replaced the legacy accounting system as its enterprise resource planning (ERP) backbone. “We did not encounter any problems during implementation. ObTech was very dedicated to the process and thanks to them, everything went as planned,” says Mr. Vun.

In fact, ObTech was so versatile that the project team even went beyond expectations by providing the training in Hakka, a Chinese dialect, he adds.

Bring Business to a Higher Ground

There are currently two users on the SAP system, who uses it to manage and update customer and product data as well as for management of inventory, bill of materials and delivery data. There are plans to increase the total number of users to five when the company expands its headcount.

“One thing I like about SAP Business One is its powerful reporting capabilities. The solution has made it so easy for me to extract business-critical data, which was something I could not do in the past when we were using Excel spreadsheets to manage data,” he adds.

Business process flow has improved too, as the implementation has automated and aligned the company’s processes based on industry best practices. This enhances staff’s productivity and operational efficiency. For instance, information entered in the SAP system for sales order generation is immediately available for the invoicing process. This automation of processes eliminates human error as well as ensures data integrity and accuracy. Furthermore, the number of details that Mr. Vun can now enter per customer, partner and for his inventory is “limitless”, giving him deeper insight to his business. Not only that, the flexible system enables him to attach images and data sheets next to the product number for quick and easy identification of his products.

Customer satisfaction is enhanced as well since Portable Power can now provide product details and queries over the phone by retrieving relevant data with just a click of a button. This is a huge improvement compared to the average seven minutes it took in the past to collate data before staff could answer customers’ questions.

For the first phase alone, the company is expecting to obtain its return on investments (ROI) one year after the go live date. More benefits are in the pipeline as plans for the second phase of the project involves connecting the SAP system with the e-commerce system. Although Mr. Vun is still waiting for the availability of the e-commerce module in Malaysia, he foresees that the integration will bring operational efficiency and business performance to an even higher level.

“When this second phase of our SAP project is completed, I am sure time spent updating the e-commerce site will be reduced by 50 percent and bring data accuracy to 100 percent,” says Mr. Vun.

“So for companies who are serious about doing business and doing it well, I highly recommend them to use SAP.”

Implementation Partner
ObTech Asia Pacific



2008/04

Company's registration no.: 198902722M

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