

TOP TO BOTTOM

we know

they know

END TO END

## IWB switches to DB2 for SAP applications, saving 68 per cent in costs

### Overview

#### ■ The Challenge

Increased business volumes at Swiss energy company IWB were leading to increased database software license fees and rising disk capacity requirements. During migration to the latest SAP applications, IWB looked for ways to minimize both data storage needs and costs.

#### ■ The Solution

IWB switched from Oracle to IBM DB2 to support its new SAP ERP 6.0 applications, saving around 68 per cent on total operational costs.

#### ■ The Benefits

Lower operational costs contribute directly to bottom-line performance. Close integration of DB2 and the SAP applications reduces administrative workload by 30 per cent. Advanced DB2 tools will allow third-party software to be discontinued, offering further cost savings. DB2 storage optimization features have reduced disk storage needs by 30 per cent, and IWB expects further savings of 40 per cent or more through future use of the DB2 Deep Compression feature.

#### ■ Key Solution Components

*Industry: Energy*  
*Applications: SAP® for Utilities solution portfolio, based on SAP ERP 6.0 including financials, controlling, customer service, document management system, materials management, production planning, project management, real estate, sales & distribution, and e-invoicing functionalities, SAP NetWeaver® BI*  
*Software: IBM DB2®, IBM Tivoli® Storage Manager*  
*Services: Resource Informatik, an SAP Channel Partner and Certified Migration Consultant*

Industrielle Werke Basel (IWB) is the energy service provider for citizens and businesses in and around Basel, Switzerland. The company sells electricity, gas, water, district heating and energy services, and is extending its capabilities into new areas, including IT and telecoms solutions. IWB employs around 750 people, with annual sales of CHF 575 million (€350 million).

IWB had been using SAP applications for every aspect of business management since 1997, and was keen to take advantage of new, high-productivity features available in the latest SAP applications. The IWB team chose to review the underlying database landscape, looking for performance improvements, efficiency enhancements and cost reductions.

René Schick, Head of ICT Operations at IWB, comments, "Database license fees and total data storage expenses were rising. With increased workload generated by the addition of new customers and the provision of new capabilities, it was important to reassess and reduce our total cost of operation."

*“In our context, for SAP application operations, IBM DB2 offers massively improved functionalities when compared to Oracle.”*

Iwan Nussbaumer  
Head of ICT  
Industrielle Werke Basel

#### **Cost savings with IBM DB2**

With some 420 users and approximately 550GB of production data, Oracle license fees were set at around 11 per cent of the SAP application license fees. IWB looked for a database solution that could offer a reduced headline percentage rate and deliver improved performance, greater compression and lower administration workload.

“IBM could offer a considerably reduced license cost for DB2,” says Iwan Nussbaumer, Head of ICT at IWB. “DB2 also offered greater disk capacity savings through database efficiencies even without compression – a space saving of almost 30 per cent. And when we start using the DB2 Deep Compression functionality, we expect to see better than 40 per cent disk storage savings, just as all the IBM reference customers have done. DB2 provided excellent performance and better integration with SAP applications, both of which help to

reduce the maintenance effort. The combination of cost-saving factors made DB2 the perfect choice for IWB.”

Ralf Rohrer, Head of Server and Storage Operations, adds: “The migration to DB2 was completed in three months. We estimate that database operational costs have been cut by 68 per cent. Deep system and analysis checks that formerly took several hours are now completed within 30 minutes, returning valuable management data quickly and cost-effectively. The migration was smooth and completed absolutely without a hitch.”

#### **Integrated advantages with DB2**

IWB simultaneously completed the migration to SAP ERP 6.0 applications, deploying the SAP for Utilities solutions. Applications include financials, controlling, customer service, document management system, materials management, production planning, project management, real estate, sales & distribution, and e-invoicing. IWB has also deployed SAP NetWeaver Business Intelligence, seen as a business-critical tool for forecasting customer behavior and power demands. The SAP NetWeaver BI solution is driven by IBM DB2.

Resource Informatik provided SAP-Certified migration services, implementing SAP Solution Manager, and the entire SAP applications landscape was migrated within the same three-month window with no interruption to IWB business procedures. The IBM and Resource Informatik teams deployed standard



SAP migration tools and processes, ensuring a reliable and proven migration path. Tivoli Storage Manager has been deployed to deliver backup, restore and archive services.

IBM Tivoli Storage Manager is designed to provide centralized, automated data protection, helping to manage costs and reduce complexity by offering integrated backup, archive, restore and recovery tools. The progressive incremental methodology used by Tivoli Storage Manager only backs up new or changed versions of files, greatly reducing data redundancy, network bandwidth and storage pool consumption as compared to traditional methodologies based on periodic full backups. Direct integration of the IBM Tivoli Storage Manager backup process with DB2 eliminates the need to halt the system, including archive log file overflow. Tivoli Storage Manager exploits data reduction techniques such as subfile backup, client compression and device compression, saving time, valuable disk space and money.

#### **Optimized environment with DB2**

IWB is very satisfied with the new DB2 and SAP applications, following a smooth migration that completed within the predicted time frame and delivered direct cost, storage and license fee savings.

Iwan Nussbaumer reports, "Knowledge transfer from the SAP consultants and the IBM team was very good, and I have been impressed by the quality of the IBM training. We took advantage of a brief period of assistance from IBM after migration of

the development system in order to optimize the database parameters, yet we have never needed assistance in the operation of DB2."

"The integration of DB2 and SAP applications is excellent, particularly the functionality of the SAP transaction ST04 - system monitor. In our context, for SAP application operations, IBM DB2 offers massively improved functionalities when compared to Oracle, and helps to reduce database administrative workload by around 30 per cent."

IWB plans to implement DB2 Deep Compression features, which promise further reductions in total disk storage requirements.

"DB2 offers many functionalities which had to be provided via third-party programs before, for example the implementation of a shadow database," says René Schick. "Over time, IWB will be able to progressively displace these programs by deploying advanced DB2 functionalities. Not only does this offer much more comfort as it is a single-source solution, but also IWB's administrative costs and workload will continue to decline."

Ralf Rohrer concludes, "Sometimes I wonder why IBM advertises DB2 so little! It is an ideal platform on which to build a high-performance ERP environment at low cost."

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Iwan Nussbaumer  
Head of ICT  
Industrielle Werke Basel



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