



## **SAP IBP instead of CO-PA: Jungbunzlauer outsources sales planning to the cloud**

Using the SAP Integrated Business Planning (SAP IBP) cloud solution, Jungbunzlauer is conducting uniform sales planning – performed in a bottom-up approach – with IT support across all locations and with consistently high performance. By doing so, the fermentation specialist is also setting the stage for conducting planning processes in sales, in production and in purchasing exclusively in this cloud solution in the future.

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Groceries, beverages, body care and cosmetics, health items as well as medicinal products, cleaning agents and detergents: Many people around the world use Jungbunzlauer's quality products almost daily without knowing it.

## JUNGBUNZLAUER SUISSE AG

Headquarter: Basel

Industry Sector: Biotechnology

Production Sites: Germany, France, Canada, Austria

Employees: around 1,200 employees

[www.jungbunzlauer.com](http://www.jungbunzlauer.com)

### Product manufacturing via fermentation

The international, Basel-based corporate group is among the leading manufacturers of biologically degradable, natural ingredients – from citric acid to xanthan, gluconate, and lactic acid and even mineral salts and sweeteners. True to the motto "From nature to ingredients", Jungbunzlauer manufactures all of its ingredients exclusively through a special fermentation process.

This traditional company – founded in 1867 and manufacturing at four production facilities worldwide and achieving sales of 900 million Swiss francs in 2019 with roughly 1,200 employees – is facing numerous challenges due to the dynamics of today's business world. To promote this growth trajectory as best as possible, consistent product innovations, optimized, ultra-modern manufacturing as well as excellent, well-educated employees who act autonomously are indispensable.

Efficient business processes in all areas are just as important. This is why, for executing core processes, Jungbunzlauer has been confiding in the SAP ERP application with its integrated functions for years. Annual sales planning is an important instrument for specifically managing the company. Until recently, it was carried out using the CO-PA SAP component, which was also used for costing-based profit and loss account. A "bottom-up" is planned at Jungbunzlauer according to the sales organization, organization, company code, ordering party, recipient, material, plant, quantity, or price. Afterwards, the individual plans are condensed into an overall plan, which makes the process very data and thus research-intensive.

### Sales planning now available in SAP IBP instead of in CO-PA

Now Jungbunzlauer is conducting sales planning in the SAP Integrated Business Planning (SAP IBP) cloud solution, and it is doing so with SAP IBP components for Sales and Operations (S&OP). "There were a series of reasons for opting to introduce SAP IBP. Above all, the planning was not able to be completed at the required performance level due to the large amount of data, which incidentally continues to grow," says Daniel Fischer, Team Leader of SAP Logistics, Jungbunzlauer Suisse AG. Furthermore, it was expensive and cumbersome to customize CO-PA. Even the upcoming switch to SAP S/4HANA Finance in Financial Accounting was an important argument in favor of SAP IBP: On the one hand, SAP S/4HANA Finance entails a change in the data model, key word Universal Journal (table ACDOCA); on the other hand, the costing-based CO-PA functions are no longer developed in this financial solution.

### IT-assisted, uniform planning processes

Jungbunzlauer commissioned ORBIS AG to implement SAP IBP. Since the planning section had to be completely rebuilt from scratch in the cloud solution to meet the company's requirements, it was implemented according to the Greenfield approach. Thanks to the trustworthy collaboration of all the parties involved, ORBIS' know-how and the use of lean methods of evolutionary prototyping, the project was able to be completed under strict adherence to both the budget and the tight schedule. Time in particular was a critical factor in the process, because the sales planning for 2020 already had to be implemented in SAP IBP due to the upcoming switch to SAP S/4HANA Finance.



*The natural fermentation processes based on renewable raw materials in the laboratory*

The advantages of the cloud solutions are already noticeable. "With SAP IBP, we are conducting sales planning

# Jungbunzlauer

across all locations and business fields with full IT support, uniformly, and with high quality and performance – a true asset,” explains Daniel Fischer. The error-prone, manual copying of data from CO-PA to Excel that is required for planning and copying planning data from Excel back to SAP, as it used to be done regularly, is now unnecessary.

*“Since SAP IBP is a cloud solution, you also save on the expenditure and costs for building, operating, and maintaining an additional infrastructure. That – plus the flexibility of the application that can easily be tailored to our individual requirements – are additional benefits,”* explains Daniel Fischer.

## Adaptable and accepted by users

Unlike before, new planning levels can now be created and changed with little effort, new planning fields can be added, or fields can be hidden.

The roughly 100 end users can take advantage of the Excel add-in in SAP IBP. Sales employees, sales directors, sales controlling, product management – they all continue to work with a front-end that you are already familiar with from SAP BEx Analyzer and SAP Analysis for Office. As such, user acceptance was ensured from the start, and the training expenditure was kept within limits.

## Planning with the freeze process

A distribution formula whose basis for calculation constitutes the sales numbers for the past five years ensures that the budget figures in SAP IBP are automatically distributed among the individual months if they are entered on an annual basis. Alternatively, the plan values can also be entered at the monthly level, provided that stipulations have been made with the client that an acceptance quantity, such as 100 tons of CITROFOL, is being delivered in partial quantities at fixed dates.

If the current planning is completed and approved, the plan values are “frozen in” (freeze process) and copied into what is known as an estimate version for the following business year. In this version, the end users enter the latest actual data for the ongoing business year, in this fall 2020.

## Detailed planned-actual comparisons

The planned and actual figures from SAP IBP are furthermore loaded directly into the existing SAP Business Warehouse (SAP BW) and evaluated there, e.g. via finely granular planned-actual comparisons. As a result, sales controlling can quickly identify discrepancies, outliers, or even trends and take the appropriate measures early on. To that end, ORBIS’ experts have linked the applications via the SAP Cloud Platform Data Services (CPI-DS). Furthermore, SAP BW provides numerous additional key figures for sales, such as for the contribution margin, for payment behavior, or for the open orders on hand, but also for product planning by product management.

## A planning tool for sales, purchasing, and production

However, at Jungbunzlauer, we do not rest on our laurels with our achievements. There are future plans to integrate certain processes from SAP BW into SAP IBP, for instance, subtracting the delivered partial quantities from the total purchase quantity and distributing the respective, remaining quantity among the remaining months. In the future, even multi-stage requirement calculations are planned to be carried out in the cloud solution. According to the vision, SAP IBP is intended to be the key tool for sales, production and purchasing planning in the long term.



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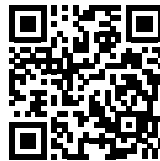
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## More Information



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