



SAP Business Transformation Study | Chemicals | Kolon Group

How Did Faster Data Processing Help a Major Chemical Company Streamline Operations and Cut Costs?

From auto parts to textiles, pharmaceuticals, and water treatment, people and businesses around the world rely on Kolon Group chemical innovations. To manage its large and complex business across its 19 subsidiaries, the South Korean company ran the SAP® ERP and SAP Business Warehouse applications on an Oracle database. But, a rapid increase in data loads was slowing down performance and raising hardware costs. So, Kolon Group turned to SAP Digital Business Services for help.

Kolon Group worked with its internal IT group, Kolon Benit, to transition its ERP system to SAP S/4HANA® and the SAP Fiori® user experience. During this transition, the group has achieved greater work efficiency through enhanced, real-time processing; faster workflows; and a more user-friendly experience. By taking advantage of SAP Value Assurance service packages for SAP S/4HANA, Kolon Benit got the guidance it needed to pursue expansion of SAP S/4HANA on its own. With SAP S/4HANA at its digital core, Kolon Group can keep its tradition of innovation alive – making life better for consumers well into the future.

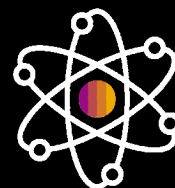




“Our goal at Kolon Group is to **exceed the expectations of customers through innovation that enriches their lives.** This has been the path that we have taken over the past six decades. The right enterprise IT is a key factor in our success.”

SunGui Jun, Director of Operations Management, Kolon Benit, Kolon Group

A diverse corporation that started in nylon manufacturing, Kolon Group now comprises 19 subsidiaries across many sectors – from textiles to chemicals, sustainable technologies, fashion, and more. Since moving from the SAP® ERP application to SAP S/4HANA®, the group is experiencing enhanced, real-time processing; faster workflows; and a better user experience. The result is greater work efficiency and lower costs – helping Kolon Group run better for its customers.



19

Subsidiaries across many industry sectors



Top 3

Aramid fiber manufacturers



Largest

Market share of the Korean airbag manufacturing segment



Kolon Group
Seoul, South Korea
www.kolon.com

Industry
Chemicals

Products and Services
Plastics, rubber, agricultural products, construction materials, metals, and healthcare and life sciences products

Employees
12,000

Revenue
KRW 10 trillion
(US\$8.82 billion)

SAP® Solutions
SAP S/4HANA®, the SAP Fiori® user experience (UX), SAP® Value Assurance service packages, and the SAP Early Adopter Care program

First Customer in South Korea to Move from SAP® ERP to SAP S/4HANA®

As a major chemical company producing a wide range of specialty products, Kolon Group relied on the SAP® ERP and SAP Business Warehouse (SAP BW) applications to manage complex business processes. Since converting SAP ERP to SAP S/4HANA, costs are down and productivity is up.

Before: Challenges and Opportunities

- Lower hardware costs caused by rapidly increasing database loads
- Increase efficiency by enabling real-time processes and data access across the group
- Improve visibility with reporting and analytics that are faster, more flexible, and more detailed

Why SAP and Kolon Benit

- Proven performance improvements with SAP S/4HANA at the digital core of IT infrastructure
- SAP Value Assurance and SAP Early Adopter Care providing expert support for a smooth, secure migration
- Internal IT support company at Kolon Group

After: Value-Driven Results

- Rapid decision-making structure thanks to a real-time analysis system
- Greater work efficiency thanks to enhanced, real-time processing; faster workflows; and a better UX
- Faster, more efficient period-end and task closing
- Lower risk of failure and less time to recover
- Reduction of synchronization and disk duplication costs
- Expected reduction of 30% in infrastructure hardware costs over 10 years
- Real-time, mobile viewing of inventory, customer, and order information
- Better, more detailed reporting for greater business visibility
- Up to 145 times faster financial data access, making period-end closing quicker and more efficient

“We have plans to use SAP S/4HANA across Kolon Group. Thanks to the guidance from SAP Digital Business Services, we will be able to **expand this conversion project on our own, following the methods and best practices recommended by SAP.”**

SunGui Jun, Director of Operations Management, Kolon Benit, Kolon Group



Featured Partner



75%

Lower IT costs by reducing data storage from 3.7 TB with Oracle software to 0.57 TB with SAP S/4HANA

4.6x–205x

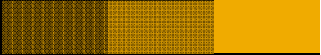
Faster generation of major supply chain transactions and reports

Up to 145x

Fewer period-end closing transactions and improved closing task efficiency

5x–30x

Faster data analysis from SAP BW



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