

## SAP Customer Success Story

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Liu Chao, Director of the Department of Strategy and Development,  
Higher Education Press



### AT A GLANCE

#### Company Name

Higher Education Press, China  
www.hep.edu.cn

#### Industry

Media

#### Key Challenges

Support company growth through improved application integration; reduced manual data input; and visibility into production, inventory, and sales operations

#### Implementation Partners

IBM, PWC, K-Force  
Management Technology Co.

#### Solution and Services

mySAP™ Business Suite;  
SAP® software for production planning, project systems, materials management, sales and distribution, financials, controlling, and human resources, which is available today in mySAP ERP

#### Existing Environment

Proprietary solution

#### Implementation Highlights

- Deployed in seven months, despite travel problems due to SARS epidemic
- Excellent communication between implementation team and HEP
- 60 users

#### Key Benefits

- Integration of financial and business operations
- Greater control and improved visibility into production processes, inventory, and sales processes
- Improved data consistency

#### Hardware

IBM, Dell

#### Operating System

Microsoft Windows, UNIX

## HIGHER EDUCATION PRESS

### mySAP™ BUSINESS SUITE HELPS INTERNATIONAL MEDIA COMPANY GROW PROFITABLY

Dramatic business growth presented both opportunity and challenge to Higher Education Press (HEP). To support its plans for expansion, HEP chose SAP® software.

Based in Beijing, HEP is the largest and most respected publisher of educational texts in China, releasing more than 65 million books annually for all levels of education, including postgraduate, continuing, and vocational education in a wide range of subjects. HEP also produces audiovisuals, electronic products, and online teaching materials.

The company, which conducts trade with more than 20 countries, aspires to become a global education media group. Yet while HEP grew, its proprietary legacy system could not expand to keep pace. Data entry was error-prone, and discrete applications could not share information easily, which hindered timely decision making. The system also could not support the new business directions that the company was exploring. “Our old system required too much manual input, had data reliability and integration problems, and could not provide the visibility we needed into our business, including sales operations and book production,” explains Liu Chao, director of the Department of Strategy and Development, Higher Education Press.

## DELIVERING VALUE TO MEET CHANGING NEEDS

By the end of 2001, HEP realized that its current IT system had become a liability, threatening company growth and expansion into new markets. After studying how a fully integrated business system could support its long-range goals, HEP chose software that it determined could support the company's growth: the mySAP™ Business Suite family of solutions and SAP software for production planning, project systems, materials management, sales and distribution, financials, controlling, and human resources, which is available today in mySAP ERP. "We selected SAP because of its experience with integration, the SAP best practices models, and the company's record of successful implementations," says Liu. "We knew that we could implement mySAP Business Suite quickly and that it would scale as our business needs changed over time."

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Despite restrictions on travel created by the SARS epidemic, HEP deployed the SAP solutions in seven months and went live in May of 2003. "We were impressed with the dedication of the SAP people, despite the problems with SARS," says Liu. "SAP representatives diligently worked with our team to overcome problems as they arose." Chao also credits the flexibility of the SAP implementation team with contributing greatly to the success of the deployment. "The level of discussion and cooperation between SAP and our internal teams made all the difference," he says. "Because SAP gave us exactly what we needed, we never lost control of the project."

## ACCURATE DATA DELIVERS BUSINESS BENEFIT

Since implementing mySAP Business Suite, HEP integrated all of its business operations and data, improving management control over day-to-day operations. With virtually every business unit utilizing the solution – including production, inventory, sales, and finance – information flow and communications have improved dramatically, enhancing improved corporate decision making.

"Because we now share timely and accurate information across our entire company, management of basic operations is more effective," says Liu. "We are more confident in our business decisions, because we have accurate, up-to-date information from all of our operations."

In addition, HEP tightened control over its warehouse operations and improved visibility into its inventory, which grows increasingly more critical as the company expands. "We really never knew with any certainty what we had in inventory," says Liu. "Now, our sales people know what delivery promises they can make and our production people know exactly when a book has to be reprinted to replenish inventory."

The most easily measured benefit of using mySAP Business Suite is the cost savings HEP has achieved. "Our SAP solutions give us greater control over all operations, which has reduced costs and improved operations across the company," says Liu. "For example, now we have better control over our customer discount program. As a result, we have saved enough money to easily justify the cost of the SAP solutions."

To summarize, in deploying mySAP Business Suite and additional SAP software to replace a legacy system strained by the company's expansion, HEP has dramatically reduced data errors, gained greater visibility into all aspects of company operations, integrated and improved production and inventory, and benefited from IT solutions that support company growth.