

## Reliability is the key

Logistics specialist FIEGE trusts T-Systems to run its SAP systems

Reference project:



**“With their services, T-Systems has proven their worth as an SAP service provider for many years – not only providing reliable support for our demanding business operations, but also acting as a true business partner.”**

Bülent Möller, Head of IT SAP Logistics, FIEGE

The FIEGE Group, headquartered in the western German city of Greven, is one of Europe’s leading logistics service providers. With around 19,000 employees working at more than 150 locations in Europe and Asia, the group generated a turnover of 1.8 billion euros in 2019. Founded in 1873, the company has been family-run for five generations now. FIEGE is a pioneer in contract logistics, which guarantees smooth supply chains from manufacturer to retailer. The company builds on long-term partnerships with its customers. Contract logistics providers consolidate various tasks along the supply chain. With its skills and services, FIEGE has become one of the leading global full-service service providers, with a focus on logistics for fashion, healthcare, manufacturing, consumer products, tires, media, and online retail. Its customers include household names such as MediaMarkt-Saturn, Zalando, Esprit, SportScheck, zooplus, Deichmann, Pirelli, and eBay. Time is money – this business motto is especially relevant in the logistics sector. FIEGE’s customers expect their shipments of raw materials and products to arrive in time. And the sheer volume of goods that FIEGE handles is immense: The service provider dispatches one parcel every second and ships 35 million tires every year. Optimized workflows in transportation, picking, and other steps are the key. They not only serve customers’ needs, but also guarantee cost-efficient service delivery – which is essential in light of

the low typical margins in the logistics sector. At the same time, FIEGE identifies the potential of relevant innovations on a regular basis and implements them in their business workflows. FIEGE relies on SAP to handle its logistics for the fashion retailer ESPRIT and efficiently control its processes at the company’s 47,000 m<sup>2</sup> central warehouse in Mönchengladbach. The company has outsourced its operating services for SAP to T-Systems.

### At a glance

- SAP operating and consulting for contract logistics specialist FIEGE
- Reliable support for logistics processes
- High performance requirements (transactions executed in milliseconds)
- Resources from a private cloud
- Cost optimization during the COVID phase
- Third contract renewal confirms the partnership
- Focus on pending modernization activities

# T Systems

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# The reference in detail

## The challenge

When new goods from Asia arrive at the central warehouse in Mönchengladbach, everything needs to go fast. 400 employees, per shift, pick the incoming goods for further distribution to ESPRIT's stores and warehouses. These processes are coordinated by the SAP system, which "tells" employees which articles are expected and where. The individual processes in SAP have to keep up with the speed of the process flows: FIEGE expects individual transactions to be processed within milliseconds. The company sought an experienced partner to run an SAP system with such high performance.

## The solution

"Meanwhile, our partnership has endured for around 10 years now," says account manager Torsten Grothaus from T-Systems. "During this time, we have proven to be a reliable service provider and partner to FIEGE." The SAP system involved boasts a total of 140,000 SAPs for database, application servers, test, and development, as well as the standby capacities for disaster recovery. FIEGE develops, tests, and runs its company-specific SAP applications on

this basis. The managed SAP system is staged from a T-Systems twin-core data center. To do so, T-Systems uses its tried and tested private cloud based on dynamic computing services – with a decisive modification: due to the fast response times needed, no shared resources are used. Instead, the deployed hardware is staged exclusively for the FIEGE system. As a result, it not only meets the performance demands for fast-moving logistics processes, but can also be managed according to proven best practices. After years of stable operations, T-Systems also proved its worth as a true partner when the global COVID-19 pandemic hit: When ESPRIT had to deal with the impacts of the pandemic, this also meant reductions in FIEGE's business activities. To cut costs, the partners agreed to downsize the now-underutilized SAP system. A reduction of the application server resources enabled FIEGE to adjust its SAP costs to the business situation dynamically. The partners have now confirmed their long-standing partnership once again with their third contract renewal. Significant modernization activities for the SAP system are planned for the coming years, including the transition to SAP HANA.

## Customer benefits

"In T-Systems, we have found a reliable partner to run our SAP systems," summarizes Bülent Möller, Head of IT SAP Logistics. "They are also our preferred service provider for future SAP projects." Failsafe operations, with high availability and extraordinary performance, are essential to the smooth logistics workflows with which FIEGE has established itself as a trustworthy partner to its retail customers. At the same time, the T-Systems solution gives FIEGE the best possible cost efficiency for its SAP operations. T-Systems is also the right partner for FIEGE when it comes to the upcoming modernization activities and will help the company find the best possible solution for its future SAP operations, based on its comprehensive consulting and implementation skills from hundreds of SAP projects. This solution will satisfy the logistics specialist's specific demands for costs and performance – and allow room for the necessary innovations.

### Contact

T-Systems International GmbH  
Hahnstraße 43d  
60528 Frankfurt am Main  
E-Mail: referenzen@t-systems.com  
Internet: www.t-systems.com

### Published by

T-Systems International GmbH  
Marketing  
Hahnstraße 43d  
60528 Frankfurt am Main  
Germany