

Help Is On the Way

Freudenberg IT

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Many companies perceive ERP hosting as a viable solution only for large enterprises. Freudenberg IT wanted to create a hosting solution that mid-market companies could afford, while maintaining the same service levels that large enterprises expect. With SAP hosted solutions on SUSE Linux Enterprise Server and HP hardware, Freudenberg IT is delivering SAP hosted solutions for mid-market companies that offer the same reliability and availability as UNIX-based, high-end hosted solutions.

> Overview

Freudenberg IT, a leading IT company in Germany, is a business division of the Freudenberg Group with more than 34,000 employees and US\$8.2 billion in annual revenue. As one of 10 global hosting partners of SAP, Freudenberg IT has subsidiaries in North America, Europe and Asia, and has more than 500 SAP systems in operation.

> Challenge

While most Fortune 500 companies have ERP systems, many mid-market companies view ERP applications as complex solutions only large companies can afford. As a global SAP hosting partner, Freudenberg IT wanted to reduce the costs and complexities for mid-market companies that implement ERP systems.

To provide SAP hosted solutions for mid-market companies, Freudenberg needed an operating platform that would not require expensive hardware, but that would provide the same levels of reliability and performance as UNIX-based hosted systems.

> Solution

Freudenberg IT evaluated extensively SUSE Linux Enterprise Server, as well as other Linux distributions and operating systems, before deciding on SUSE Linux Enterprise Server for its mid-market hosting solution.

"Because SAP systems are mission-critical, we have to provide high availability for our clients," said Richard Downham, vice president of Managed Services at Freudenberg IT. "SUSE Linux Enterprise Server is an enterprise-class system that can support customers with 24x7 operations, while reducing the overall cost of a hosted solution. SAP's endorsement of SUSE Linux Enterprise Server and collaboration with Novell gave us further confidence."

In addition to its FIT Professional UNIX-based offering for large enterprises, Freudenberg IT offers its FIT Compact solution for mid-market companies running SUSE Linux Enterprise Server. The company runs all SAP landscapes on the operating system, such as SAP ERP, CRM, SRM, and NetWeaver BI and EP, with underlying databases such as Oracle, MaxDB and DB2. All SAP

"By running SAP on the rock-solid combination of HP ProLiant hardware with SUSE Linux Enterprise Server, we've been able to dramatically reduce hosting price, expand into the mid-market sector, and increase our revenues and market share."

Richard Downham

Vice President of Managed Services

Freudenberg IT

systems delivered, regardless of database server platform, have application servers running on SUSE Linux Enterprise Server.

"With SUSE Linux Enterprise Server, we have reduced hardware server costs by nearly 70 percent in comparison to the UNIX-based systems," said Downham. "Typical SAP applications require at least three servers and that number is increasing with the addition of new SAP NetWeaver applications. We can consolidate the proliferation of nonproduction SAP environments using virtualization."

Using the built-in management tools in SUSE Linux Enterprise Server, such as YaST, Freudenberg IT can rapidly set up servers and deploy new systems. The hosting operations group creates automated and standardized solutions for rapid deployment.

"SUSE Linux Enterprise Server increases our speed to market by allowing us to get a hosted SAP solution running for new clients in hours instead of weeks," said Downham. "Our goal is to commoditize hosting without sacrificing quality, since our customers are looking for hosting vendors who can deliver quickly and turn on a dime."

The availability of SAP systems running SUSE Linux Enterprise Server is approaching 99.98 percent, matching that of UNIX-based enterprise solutions, as well as high availability (HA) clustering technology.

"SUSE Linux Enterprise Server is a true enterprise platform and we can maintain exceptional service levels, flexibility and expandability for our clients, regardless of how much their business grows," said Downham. "We

“Novell provides a proven mission-critical solution at an affordable price. There is no way we could have done this with high-cost UNIX-based systems. SUSE Linux Enterprise Server delivers maximum value to our rapidly growing business.”

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don't believe customers should pay twice as much for a hardware cluster they don't need, when they can get the same results with SUSE Linux Enterprise Server running on HP hardware. Combining this with Freudenberg's unique concept of splitting SAP landscapes across two active data centers so that disaster recovery is built into the hosting offering delivers what the mid-market companies expect and deserve—but at a mid-market price.”

> Results

By leveraging SUSE Linux Enterprise Server to create a cost-effective and highly available hosted ERP solution for

mid-market companies, Freudenberg IT has expanded its business into a profitable new market sector. Combining SUSE Linux Enterprise Server with HP hardware, the company has reduced hardware costs for its mid-market customers by nearly 70 percent and reduced server rack space by 50 percent compared to UNIX-based systems.

Freudenberg IT has lowered administration costs by using SUSE Linux Enterprise Server because one administrator can now manage three times as many SAP systems as before. Most importantly, the company can maintain 99.98 percent availability for its customers, rivaling significantly more expensive clustered environments.

“With Novell, we can deliver a solution that a whole new market of customers can afford,” said Downham. “We couldn't have done it without a stable, reliable platform like SUSE Linux Enterprise Server.” **N**

Article Summary

Products and Services:

[SUSE Linux Enterprise Server](#)

Results:

- [Created a cost-effective ERP hosting solution for mid-market companies](#)
- [Reduced hardware costs for mid-market clients by 70 percent, compared to UNIX-based systems](#)
- [Reduced rack space requirements by 50 percent](#)
- [Achieved system availability levels for customers of 99.98 percent](#)