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Hochland sets standards with international SAP S/4HANA transformation





Hochland – family dairy since 1927

With 413,800 tons of cheese sales (2023) and EUR 2.25 billion in turnover (2023), Hochland SE, headquartered in Heimenkirch (Allgäu), is one of Europe's largest private cheese producers with a wide range of products for trade, industry, and gastronomy. The Hochland Group has been 100% family-owned since 1927 and employs more than 6,100 people worldwide, over 2,300 of them in Germany. Besides two German cheese factories, Hochland has further cheese production

facilities in France, Spain, Poland, Romania, Russia, and the USA. Two German production facilities for plant-based foods and the mechanical engineering subsidiary Hochland Natec also belong to the group. Hochland is innovative and continuously adapts to the market in order to meet the relevant demands of retailers and consumers. The company's mission statement is to inspire people with products and take responsibility for people and the environment.

An overview of the transformation project

The challenge: Unified system for all sites

Hochland has been working successfully with SAP ERP software for 25 years. The cheese manufacturer used the migration to S4/HANA for a fundamental modernization in the course of a greenfield transformation: The existing system environment and process landscape with numerous in-house developments and stand-alone solutions were reviewed, adjusted, harmonized, and re-established close to the standard. This created a stable, sustainable, and internationally harmonized

technological basis for the further digitalization of the group. In addition, the company named process managers in the specialist areas who understand the business processes end-to-end. Hochland generates more added value thanks to new S/4HANA functionality, for example for freight charge management, as well as other SAP solutions implemented for supply chain planning, transport logistics, analytics, and business process management.





SAP S/4HANA Business Transformation

Learn more about the successful migration to SAP S/4HANA as an enabler for growth and digitalization!



Solution approach & key results

SAP S/4HANA greenfield transformation: Redesign, international harmonization, and standardization of the system environment using SAP best practices

- Establishment of a sustainable basis for the digitalization of the Hochland Group
- Implementation of SAP S/4HANA with professional test management: Scheduled go-live in the German locations
- Development of a template for the roll-out in Poland, Romania, Spain, France, the USA, and Australia
- Process documentation in SAP Signavio, building up end-to-end process experts in the specialist areas
- Implementation of SAP Integrated Business Planning (SAP IBP) for supply chain optimization, SAP Production Planning and Detailed Scheduling (SAP PP/DS) for detailed production planning and SAP Transportation Management (SAP TM) for optimized transport logistics
- Implementation of SAP Analytics Cloud (SAP SAC) for reporting and business intelligence
- Highly stable operation of the hybrid system architecture consisting of cloud and on-prem solutions, supported by valantic SAP Application Management Services (AMS)

Hochland is migrating to SAP S/4HANA

Completing a complex SAP S/4HANA greenfield transformation with pinpoint accuracy is not a mere matter of course, but the cheese manufacturer Hochland has succeeded in doing exactly this. Since the smooth go-live in Germany, this family-owned company has been working steadily with the innovative Business Suite at its largest locations, and the international roll-out is already on the road to success. This makes Hochland a pioneer in its industry.

Jürgen Brunner, Head of IT at Hochland, his IT department, and all those involved in the specialist areas are rightly proud of this. "It's great that we managed to get our SAP S/4HANA system off the ground on schedule and within budget despite the greenfield approach," says Jürgen Brunner. "Our partner

valantic and the results-oriented cooperation of the joint project team also contributed to this."

Greenfield transformation as the path to future architecture

In a greenfield transformation, the entire process landscape and system environment are put to the test. It's important to decide how the new architecture must be designed to deliver the greatest value to the business in the long term. This not only takes time, but also requires extensive specialist and technology expertise.

For Hochland, the comprehensive review was the prerequisite for exploiting the diverse possibilities of SAP S/4HANA. For this purpose,





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the valantic team not only provided the required SAP and process expertise, but also specific industry knowledge thanks to many years of project experience with dairies.

Holistic SAP BPM instead of silo thinking

The project was designed to create a robust architecture with a lean digital core for Hochland to drive digitalization at corporate locations in Europe, Australia, and the US. To this end, international experts from Hochland and its project partners worked together to define standards, set up new processes end-to-end, and map them into SAP Signavio, the solution for comprehensive SAP Business Process Management (SAP BPM).

The digital process library supports both the AMS organization and the experts in the fields that Hochland has established in the course of the project in order to shift process responsibility from IT to business. As global process owner and local process owner, they oversee established business processes and adapt to new requirements, with the IT department acting as an enabler.

International roll-out with templates

This international project was a success in every respect. Among other things, it enabled a new culture of international teamwork within the Hochland Group, promoted acceptance of the solution at the various locations, and also



paved the way for the SAP S/4HANA roll-outs in the coming years in terms of content. The numerous process harmonizations that were developed jointly, for example for connecting customers and logistics service providers, as well as for the chart of accounts and controlling area, produced templates for the implementation of the solution in plants worldwide.

This template approach has proven its worth, as Nils Meißner, Senior Manager and Project Manager at valantic, explains: “The roll-outs are going according to plan. In Poland, the integration tests have already shown that our template works.” Following its introduction in Poland, projects in Romania, Spain, France, the USA, and Australia will follow.

Optimization of supply chain and logistics

In Germany, where the new system is already up and running, the benefits of innovative S/4HANA functions are clearly noticeable, in particular the added value of newly implemented solutions in the areas of supply chain planning, logistics, and reporting.

SAP Integrated Business Planning as an integrated system for sales, production, and demand planning, for example, provides complete transparency along the entire supply chain. Hochland is now able to respond more quickly to change, and SAP IBP simplifies the coordination of all business units involved in planning.

“We now have a stable and sustainable overall architecture. The networking of our systems and data in the Digital Core opens up a new SAP world, the potential of which we can use step by step with the toolbox of the SAP Business Technology Platform.”

Jürgen Brunner
IT Department Manager at Hochland

The production processes at Hochland benefit primarily from the integrated SAP PP/DS solution. For example, plants can carry out multi-stage, detailed production planning directly in SAP S/4HANA.

Completely digitalized value chain

Many processes, which were previously controlled manually, are now automated in SAP TM, including transport planning, the creation of delivery documents, and the commissioning of freight forwarders. The calculation and invoicing of freight costs are thus also integrated into SAP S/4HANA and are posted automatically.

Daniel Wächter, member of the management board at valantic, emphasizes: “We are pleased to be able to accompany this transformation project end-to-end. The topics of the digital supply chain and logistics are essential for a manufacturing company like Hochland.”



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Senior Manager and SAP S/4HANA Project
Manager at valantic



Potential of the new SAP world can be exploited

This also applies to the expanded business intelligence (BI) capabilities. For this purpose, the cheese manufacturer has installed the SAP Analytics Cloud on an existing SAP Business Warehouse. In addition to the BI functions in SAP S/4HANA, Hochland can benefit from additional specific analysis functions and reports.

With the project completion in Germany, Jürgen Brunner draws the following positive conclusion: “We now have a stable and sustainable overall architecture. The networking of our systems and data in the digital core opens up a new SAP world, the potential of which we can use step by step with the toolbox of the SAP Business Technology Platform.”

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About valantic

valantic is one of the fastest growing digital solutions, consulting, and software companies on the market. More than 500 blue chip clients rely on valantic, including 33 of 40 DAX companies and many leading international companies as well. With more than 4,000 specialized digitalization experts and net sales of approx. EUR 600 million in 2024(e), valantic is represented in 18 international locations around the globe. More than 2,000 digitalization projects over the past five years have shown that valantic understands the business challenges of its customers. From strategy to tangible implementation, they have the necessary expertise to accompany projects from start to finish and make them successful. In this, valantic combines technological expertise with industry knowledge and the human touch. valantic consults companies on all challenges of digital transformation, helps them to better manage their corporate performance and leverage the potential of data and artificial intelligence. In addition, valantic supports its customers in optimally shaping the customer experience, profitably using core digitalization technologies and optimizing company processes from end to end.

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