# IMPROVING THE QUALITY OF ARTICLE MASTER DATA

VEDES group uses SAP optimizations by FIS for master data management and EDI

**FIS**

## Customer

- VEDES AG
- Year of foundation: 1904
- Headquarters: Nuremberg
- Employees at the headquarters: 210
- Members: 1,050
- Specialized stores: 1,150
- Number of specialized trade employees: 16,500
- Cash point sales per year: 571 million EURO

## Industry

- Toy trade

## Key figures

- Assorted products: 400,000

## Challenges

In 2005, VEDES AG implemented SAP Retail, a uniform ERP system for central retailing to which around 300 retailing systems are connected. Every night, master data changes are replicated to these systems. A central operational system for master data processing was searched for such changes.

## Solution

- *FIS*/mpm, *FIS*/xee

## Benefits

Using *FIS*/mpm, the group is able to work more securely and improve the data quality of its SAP system significantly. *FIS*/mpm is the only solution on the market to run with full SAP integration. Master data, however, is managed independently of the operating SAP system. Moreover, *FIS*/xee is used to harmonize the exchange of transaction data.

The headquarters of Europe's largest specialized trade organization for games, leisure and family is located on the former GRUNDIG area next to the Nuremberg easyCredit stadium. Right behind office corridors, a play paradise can be found: the individual departments are accommodated in the front building, only two steps away from a showroom as big as a football pitch (5,000 square meters) full of teddy-bears, table soccers, scooters, books, dolls, board games... However, this comprehensive product selection is only a small section of the entire range of 400,000 products. Since 2011, the VEDES headquarters has administrated the master data of these products by using the SAP-integrated *FIS*/mpm solution by FIS.

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Gerhard Schreyer,
IT Manager

It was more than 100 years ago that VEDES was founded in Leipzig as a traditional cooperative that has developed into what it is today, a Europe-wide operating trading company with two distribution chains: full-range retailers for games and leisure trade under the VEDES umbrella brand. SPIELZEUG-RING is the home of traditional multi-range retailers that not just offer toys but also products for other markets as well. All 1,050 members can either purchase products in the VEDES wholesale warehouse or order them directly from the manufacturer. In this way, they benefit from the delcredere warranted by a bank, i.e. the correct settlement of payments with the associated partner assuming the customer risk.

## "FIS/mpm enables us to create and maintain master data much more quickly"

It makes no difference whether the retailer orders products from the VEDES wholesale or purchases them directly on the market – the VEDES headquarters has stored information on 400,000 articles in its central SAP system from where it makes them available to its associated specialized stores. In 2005, VEDES AG implemented SAP Retail, a uniform ERP system for central retailing to which around 300 retailing systems of the associated specialized stores are connected today. Every night, master data changes are replicated to these systems. "It is exactly for such changes that we need a system like FIS/mpm, which enables us to create and maintain master data much more quickly," says Gerhard Schreyer, head of the VEDES IT department.

Why does VEDES AG need an external solution for the administration of its SAP master data? "If you change article information in the original dataset and you make mistakes, the master data records will become erroneous immediately. The FIS software for master data management enables us to work more securely and therefore improve the data quality of our ERP system significantly," explains Gerhard Schreyer. "Often, we do not know yet whether we intend to manage an article in the long run. That is why we need a central operational system for master data, where we process article data before we include it in our range of products. If you create an article in SAP, it will be there forever," adds his colleague Bernd Jörg, project manager in the IT department. According to the IT expert, the larger the master database and the higher the fluctuation, the more necessary is such an operation system. This is exactly the scenario at VEDES with 400,000 data records and an assortment renewal of 30% per year.

## Upstream data management with deepest SAP integration

By implementing SAP Retail, the VEDES headquarters found such a solution, but - as it soon turned out - it was far too rudimentary. Therefore, in 2010, VEDES decided in favor of FIS/mpm as "software with the widest range of functions among all competitive products," says Gerhard Schreyer. „Furthermore, FIS/mpm is the only solution on the market to run with full SAP integration. We also have checked other systems that would have run on a different technology platform from which we would have had to distribute the data to SAP. Consequently, the entire SAP knowledge would not have been available. I do not like this kind of media changes," explains the IT manager. The FIS optimization runs within the SAP interface; master data, however, is managed

independently of the operating SAP system. For this purpose, data is processed in an upstream area. Only if all changes have been checked and proved to be correct will they be imported into the original SAP dataset.

VEDES used the implementation of *FIS*/mpm as an opportunity to redesign its SAP landscape on a large scale. A second client for the VEDES wholesale was separated from the previous client with all 400,000 master data records. This client only contains the approx. 17,000 master data records required there. The wholesale client consequently works with a reduced number of articles and became much easier to manage. Unlike the previous client, it is no longer used as a data hub for all kinds of transaction data but exclusively for the master data management of the VEDES wholesale. "If you use a tool such as *FIS*/mpm, it makes sense to consider a reorganization of your client topology," says Bernd Jörg.

### Templates for the conversion of old formats

In the VEDES headquarters, five female employees from the master data management department use *FIS*/mpm. It is their duty to request article information from vendors in any kind of format and to map it in the system. This information is often transmitted in quite obsolete data formats such as the Busch format only consisting of a basic master record of nine fields at most. As nowadays toys can consist of up to 170 characteristic values, such legacy formats have to be adjusted to the current master data standards in SAP. Apart from information in Busch format, VEDES AG also receives article information in Excel tables, paper lists or ASCII code files. *FIS*/mpm provides the corresponding templates for the enrichment and revision of this heterogeneous information as well as for its validation and import to SAP. This means that master data can be maintained quickly in an automated and qualified way.

### Functions going beyond SAP Retail

„If you do not filter discs in Busch format and just transfer them into the SAP master data, you will most certainly fail," says Bernd Jörg. "You will get duplicates and wrong articles, the European Article Number will have been assigned five times and so on. Here, the FIS software helps us to always keep the quality of our SAP master data at a high level." It is also possible the other way round: specific information is exported from SAP and postprocessed in *FIS*/mpm. A material group key, for instance, can easily be extended from

three to five digits. If you wanted to do this directly in SAP, a new software program would have to be written first.

In *FIS*/mpm, the purchasers can view and process the entire product range of a vendor. Within a standardized and user-friendly interface, you can create, change and delete articles or easily scroll to the next article and go to the original data record by a simple mouse click – this function is not included in SAP Retail.

### FIS/xee standardizes the exchange of transaction data

The communication between vendor, trade association and retail trade consists of the management of article master data and the exchange of messages, i.e. transaction data. Here, typical document types are orders (ORDERS), order confirmations (ORDERSP) and electronic delivery notes (DESADV). At VEDES, these documents are transmitted between all participants via WWS1, Buschdata, ADC and EDI formats. "Even if EDI was used by each vendor, documents would still be interpreted differently," says Patrick Noä, EDI expert in the VEDES IT department. "We would consequently have to adjust our SAP system to each vendor and make sure by complex programming that all these different data formats can be processed in a useful way."

Thanks to *FIS*/xee, the EAI platform by FIS that was implemented together with *FIS*/mpm, VEDES is able to operate much more flexibly. The trade association can exchange electronic data, documents and messages between its business partners in a secure and user-friendly way and in any kind of format. The entire administration and monitoring take place in SAP. The VEDES headquarters can implement detailed vendor agreements in *FIS*/xee, where the specifications for the direct communication between the two business partners can be determined as well as the formats that have to be converted and how. "This enables us to quickly map different format characteristics existing on the market in our system," explains Patrick Noä.

The EDI converter VEDES AG had used before offered hardly any Customizing options and had to be enhanced permanently in a time-consuming and cost-intensive way. After a pilot connection of eight vendors and conversion procedures, i.e. "mappings", for three customer formats, *FIS*/xee has been used in the productive operation since October 2011 and is currently being further expanded.



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Patrick Noä,
EDI Expert in the VEDES IT Department

The standardized data exchange that works well on a "small scale" at VEDES is to be implemented on a larger scale in future: At the beginning of 2011, MyToys, SPIEL & SPASS, Spiele Max, Toys'R'Us and the VEDES group, the five biggest players of the German toy trade, formed a competence team with the aim to standardize and optimize electronic data exchange in the toy trade under the roof of the BVS (Federal Association of Toy Retailers, reg. ass.) and to build a standardized platform for the data exchange with the industry.



## VEDES AG

Operating throughout Europe, the VEDES group is represented in many countries: about 1,050 specialized toy retailers in Germany, Austria, Italy, Hungary, Luxemburg, the Netherlands and Switzerland rely on the power of a strong community as well as on the high innovative ability and efficiency of the VEDES service headquarters in Nuremberg. VEDES offers an efficient and future-proof service portfolio to independent retailers. It also fulfills basic protective functions and assumes responsibility for the strategic global control of the group.



### FIS Informationssysteme und Consulting GmbH

FIS Informationssysteme und Consulting GmbH is an expanding, independent company and forms the umbrella of the FIS Group. Within this group, more than 800 employees work to make companies more modern, more economical and more competitive every day. The focus of FIS is on SAP projects and the development of efficient solutions that drive digitalization in companies. As one of the leading SAP system houses in the D-A-CH region, FIS is the market leader in technical wholesale with its complete solution FIS/wws. Together with its subsidiary Medienwerft, FIS covers the complete SAP range of topics for the Customer Experience (CX) area.

In the subsidiary FIS-ASP, more than 100 specialists operate and administer customers' SAP systems in their own data centers in southern Germany. The subsidiary FIS-SST is a competent partner for nearshoring projects. Collaborative solutions for the convenient and secure process handling of different companies on common platforms are developed at the subsidiary FIS-iLog.