

CUSTOMER SPOTLIGHT



SAP SOFTWARE SOLUTION PARTNER



SAP AMERICA

A recent upgrade to Vertex® O Series® software helped SAP America, Inc., manage tax processes related to sales and purchases more quickly, give its tax department more control, and enhance regulatory compliance. Further, the software upgrade helped lay the foundation for future business growth.

COMPANY AND PARTNER AT A GLANCE

Company

SAP America, Inc.

Location

Newtown Square, Pennsylvania

Web Site

www.sap.com

Industry

High tech

Employees

4,500

Software Solution Partner

Vertex, Inc

Location

Berwyn, Pennsylvania

Web Site

www.vertexinc.com

Partner Solution

Vertex® O Series®

SAP® Solutions and Services

SAP® ERP application, SAP Customer Relationship Management application, SAP NetWeaver® technology platform

Hardware

HP Superdome A5200A, Vertex DB Schema, HP Proliant BL685C DC

Operating System

HP Unix
Microsoft Windows

BUSINESS CHALLENGES

Accommodate New Business Opportunities

Determining the correct tax rates for sales and purchases is a complex task for any business. Tax compliance and related calculations had recently become more challenging for SAP America, Inc., after its parent company acquired Business Objects, a French software firm specializing in business intelligence solutions. SAP America is a subsidiary of SAP AG, one of the world's largest business software companies.

Support Web-Based Business Models and Enhance Compliance

"The merger with Business Objects brought additional tax complexities due to its relationship with various resellers," says Phil Harvey, an IT project manager with SAP America. "We also had new Web-based business models that required enhanced tax functionality and lacked the application access tracking and control needed to comply with security administration requirements of the Sarbanes-Oxley Act."

OBJECTIVES

Upgrade to Service-Oriented Architecture

Since 1996 SAP America had used Vertex Q Series software for tax processing. As the company's needs expanded, additional internal development was required to interface with auditors, manage data for internal reporting systems, and generate tax returns for public revenue agencies.

"Every company code had its own configuration," Harvey says. "By 2008 we were interfacing with more than 40 different servers. Monthly software updates to the tax software required a lot of time and effort, which meant very high maintenance costs."

With strong internal support for service-oriented architecture, SAP America decided to upgrade to the Vertex O Series tax management solution. The solution was already licensed by and in production at SAP Labs to support tax jurisdiction lookups and tax calculations on service subscriptions for the SAP® Developer Network community. Besides offering the expanded functionality SAP America required, the new software helped standardize and streamline tax management processes and reduce maintenance effort and cost.





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“In addition to helping our company absorb data resulting from the merger with Business Objects, the new software has made it possible for our tax department to meet its regulatory requirements and adopt a variety of Web-based services. We are also in a much better position to support new acquisitions.”

Phil Harvey, IT Project Manager, SAP America, Inc.

KEY BENEFITS

- Replaced more than 40 servers
- Shifted tax master-data maintenance to tax department
- Improved regulatory compliance
- Positioned SAP to add Vertex Sales Tax Returns

IMPLEMENTATION HIGHLIGHTS

Strong Proof of Concept and Tight Project Management

Implementing the new software took about four months, met the allotted budget, and caused minimal disruption to existing processes and operations. Key to the project's success was a strong proof of concept that involved mock-ups of the new system in both development and testing. Adherence to standards of the Project Management Institute and the company's internal project management methods also helped the implementation run smoothly.

BENEFITS

Access to Web-Based Services

Today Vertex O Series is available to anyone in SAP America who uses the SAP ERP and SAP Customer Relationship Management applications for financial, sales, or purchasing transactions. “In addition to helping our company absorb data resulting from the merger with Business Objects, the new software has made it possible for our tax department to meet its regulatory requirements and adopt a variety of Web-based services,” Harvey says.

Faster Processing, Greater Accuracy, and Lower Cost

Deployed on the SAP NetWeaver® technology platform, Vertex O Series has helped SAP America replace tax processing on more than 40 servers with a centralized system for tax processing. Role-based security features give the tax department greater control over system access and maintenance. Both transitions have significantly lowered total cost of ownership for the new software. Other benefits include increased transaction capacity, greater accuracy in identifying relevant tax jurisdictions, and the ability to process VAT in the future.

GOING FORWARD

With Vertex O Series in place, SAP America has the platform it needs to implement additional Vertex tax applications. Meanwhile, SAP AG is considering implementations of Vertex O Series in other parts of North America. “We are also in a much better position to support new acquisitions,” Harvey notes. “When we implement Vertex Sales Tax Returns, the tax department will have a huge win in replacing manual preparation of state sales tax returns.”

SAP® Certified
Integration with SAP Applications



SAP software solution partners provide solutions that extend and add value to SAP solutions.