Image: VERBUND AG

VERBUND

SNP was the only manufacturing service provider that was able to merge the data retroactively to the effective date of the change in the company's legal status – and it was able to do so at low costs and with a short project time frame.

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SNP | The Transformation Company

SNP

Corporate Merger Successfully Made Retroactive to the Effective Date

About VERBUND

VERBUND is Austria's leading electricity company and one of the largest producers of hydroelectricity in Europe. The company produces more than 90 % of its electricity from hydropower, supplemented with thermal and wind power. VERBUND is able to cover 40 % of the approximately 70 000 million kilowatt hours consumed in Austria per year.

VERBUND trades in electricity in twelve European countries. With subsidiaries and partner companies, VERBUND covers all steps: from producing and transmitting electricity (high-voltage grid) to trading and distributing.

The Challenge

Due to a change in the corporate structure, VERBUND was faced with the task of converting several subsidiaries into another target company. The special challenge in this was that the merger needed to be backdated to the effective date of 12/31/2013.

In the scope of the project, five source company codes from subsidiaries needed to be merged into three target company codes within one client in the SAP ERP system. For this, the organizational units – plants, sales organizations, and procurement organizations – as well as the lower-level account assignment elements – cost centers, secondary cost elements, and profit centers – needed to be renamed according to the nomenclature of the target structure.

The Solution

SNP was able to guarantee a rapid and error-free implementation of the process. The individual steps in the project were divided into analysis, creation of the blueprint, and the maintenance of the regulatory framework in the SNP Transformation Backbone® solution utilized, which automatically analyzes and implements changes in IT systems in a standardized manner.

SNP transferred the open items in accounting into the target company code and merged the complete logistics history. Thanks to expert knowledge of the SNP specialists, the backdating went smoothly in the accounting, and no special archive system needed to be created for the data. This, in turn, had a positive effect on the duration and costs of the process. In Treasury, the implementation was carried out by the customer internally due to the specialization and complexity, as well as the tight timeline, which – despite the utilization of the corresponding tools for tests and consolidation entries – resulted in a significant effort on the part of the customer. Using the SNP Transformation Backbone, the entire migration was able to be completed in just under seven months. In addition, the success of the conversion was verified in advance thanks to three test migrations. As a result, the data now correspond to the change in the corporation's legal status. The error-free display of archived documents continues to be guaranteed as well.

The Advantages

- Short duration of the migration project
- Decrease in costs and increase in efficiency due to the merging of systems
- Merging of the complete logistics history
- SNP was the only provider able to guarantee the requested backdating of the effective date in accounting

Further Information

About VERBUND please visit www.verbund.com
About SNP please visit www.snp-ag.com