As it grew from a small company into China's number-one manufacturer of aluminum electrolytic capacitors, **The Aihua Group** knew that its business process management systems needed to evolve to align with international standards.

A hybrid cloud solution from Lenovo enabled the company to adopt SAP S/4HANA rapidly, transforming business efficiency and cutting IT investment by up to 40%.

Lenovo Infrastructure Solutions for The Data-Centered



## **Background**

Established in 1985, The Aihua Group is a technology company that focuses on designing, developing, manufacturing and marketing aluminum electrolytic capacitors and other products. The group operates manufacturing facilities in the Sichuan, Jiangsu and Hunan provinces of China, employs over 4000 people, and generates annual sales of approximately 2 billion yuan (US \$292 million).

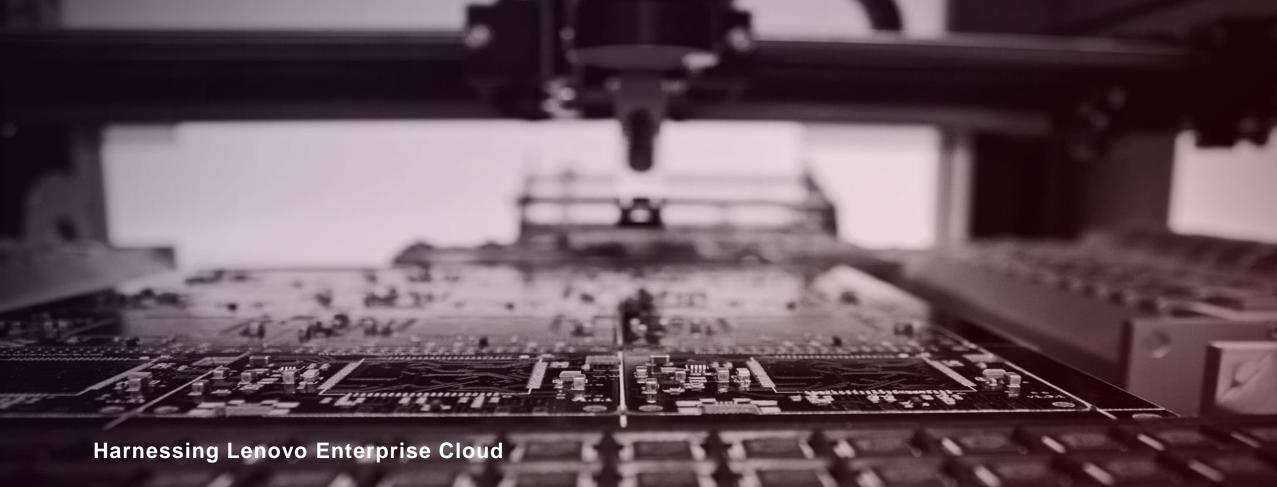
While the company started out as a relatively small business, demand for its aluminum electrolytic capacitors has increased massively over the years, finding applications in industries as diverse as consumer electronics, lighting, solar energy, industrial control and vehicle electronics. The Aihua Group has grown to become the largest supplier of these products in China and the third largest globally, supplying market leaders such as Huawei, Apple, and OPPLE Lighting.



## Challenge

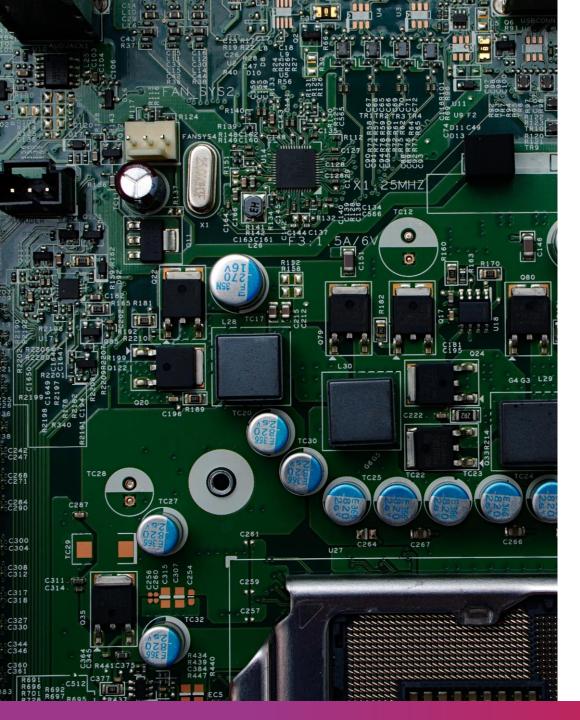
During its transition from small company to major global enterprise, The Aihua Group recognized a need to improve its business management processes. As a company listed on the Shanghai Stock Exchange, it needed to use an ERP system to ensure transparency and standardization of operating conditions. The group therefore decided to replace its existing systems and processes with SAP S/4HANA.

However, The Aihua Group's existing IT infrastructure lacked the capacity to support the new SAP S/4HANA applications. It needed to find a new platform—and quickly, to avoid the risk of delaying its SAP projects.



The Aihua Group wanted to run the production environment for its new SAP environment at its own internal data center, but it also needed to ensure business continuity and resiliency by replicating its data to a remote site. Instead of building a second data center for disaster recovery, the company realized that a hybrid cloud architecture could offer the same resiliency benefits at a fraction of the cost.

Another important reason to harness the cloud was speed of deployment: the company's SAP consultants were ready to start building new process flows in SAP S/4HANA, but they couldn't start work until development and testing environments were available. By spinning up these environments in the cloud, The Aihua Group could start development of the customized ERP software functions even before its new production servers were installed at its main data center.



"We previously used IBM servers, and we see the Lenovo ThinkSystem platform as inheriting and continuing that line of quality. Compared to other vendors, the Lenovo team were much more interested in finding the right technical solution for our business needs and helping us gain the skills we need to manage it. We feel that Lenovo treat our relationship as a true partnership, not just a sales opportunity."

### Chunyuan Xu,

IT Department Director, The Aihua Group



#### Results

The company chose Lenovo to help it build its new on-premises infrastructure for SAP S/4HANA, and to provide the cloud component of the solution. Lenovo Enterprise Cloud gives the company a fully supported cloud platform that is specifically designed for SAP HANA environments, enabling rapid rollout of the development and test environments, and providing a robust backup and disaster recovery solution.

The Aihua Group also benefits from the Lenovo Enterprise Cloud team's expert support, which helps to fix problems at the infrastructure, platform and SAP application level quickly—allowing the group's in-house IT team to focus on developing new functionality for the business, not tracking down technical issues.

Lenovo built a private cloud in The Aihua Group's main data center based on server virtualization technology to ensure local production performance. The Lenovo Enterprise Cloud solution is connected to the company's on-premises systems. Two ThinkSystem SR850 servers run the production SAP HANA databases and core applications, including enterprise resource planning (ERP), customer relationship management (CRM) and manufacturing execution systems (MES) in a SAP HANA-certified dual-machine cluster. Three other Lenovo ThinkSystem SR950 servers run the front-end SAP S/4HANA applications. The solution also utilized Lenovo ThinkSystem DB610S switches.



This fully redundant infrastructure protects data both through local replication and remote backup to the Lenovo cloud data centers in Beijing and Wuhan, ensuring rapid and complete recovery in case of a major outage at one of the sites.

We estimate that the Lenovo Enterprise Cloud has saved us 30% to 40% in terms of IT investment, as well as boosting our business resilience. The support we receive from the Lenovo Enterprise Cloud team is also excellent—they are always willing to share knowledge and help us gain the skills to manage our infrastructure independently."

**Chunyuan Xu,**IT Department Director, The Aihua Group

# What will you do with SAP solutions?

Rely on Lenovo's experts to help enable your intelligent transformation with SAP® solutions, services, and applications.

**Explore SAP Solutions** 

Lenovo and the Lenovo logo are trademarks or registered trademarks of Lenovo.

Intel and Intel Inside is a trademark of the Intel Corporation or its subsidiaries in the U.S. and/or other countries.

Other company, product and service names may be trademarks or service marks of others.