

# Achieving AGT's Big Dreams with SAP

**Mesut CAN**  
AGT IT Group Manager

20 June 2024  
SAP for Process Industries and Natural Resources Conference, Vienna





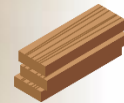
**We create designs that add value to life**



Resident in Antalya, Türkiye



5 continents,  
1.000+ sales points



MDF production capacity 1,05 million m<sup>3</sup>/year (volume of 400 olympic swimming pools)



Flooring production capacity 44 million m<sup>2</sup>/year (enough to cover 10 central districts of Vienna)






# Respect for Nature, Sensitive to Human Health

 Increased forest area by 3% since 2015.

 Compliant with the environmental product declaration.

 Protects human health.



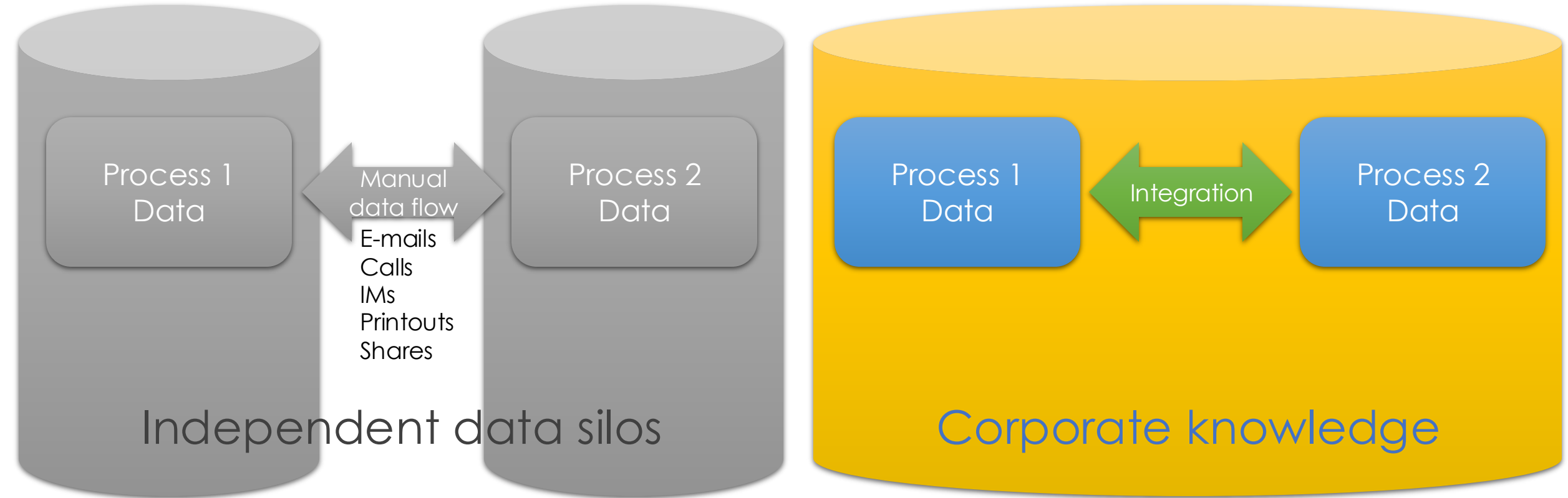
***Solid wood feel with fewer trees***

# What Does Digital Actually Mean?

Isn't everything on the computer anyway?

## Analogue

## Digital



# AGT's Digital Transformation Journey



- Fully functional ERP implementation in 6 months.
- S4 Brownfield conversation and CM implementation at same time in 4 months.

# AGT's Digital Maturity

- AGT is **45%** mature compared to the industry average.\*
- and **15%** mature compared to the Global SIRI average.\*

## Strengths

-  Strong enterprise connectivity
-  Seamless shop floor equipment integration

## Opportunities

-  Increasing digital product utilization
-  Digitalization of manual demand forecasting and long-term planning

\* According to AGT's 2024 SIRI (Smart Industry Readiness Index) assessment score.

# AGT's Digital Transformation Roadmap

2024

2025

2026

## Shop Floor Digitalization powered by Industrial IoT and AI

Realtime condition monitoring, Energy Management System, Predictive Maintenance, Industrial Business Continuity, Industrial Cyber Security

## Digital Product Utilization

SAP MII OEE, SAP C4C

## Supply Chain Digitalization

SAP IBP Family

Digital Maturity  
Assessment



# AGT Likes SAP

## Why?

- SAP is global standard setter.
- SAP is the sustainable and reliable global business partner.

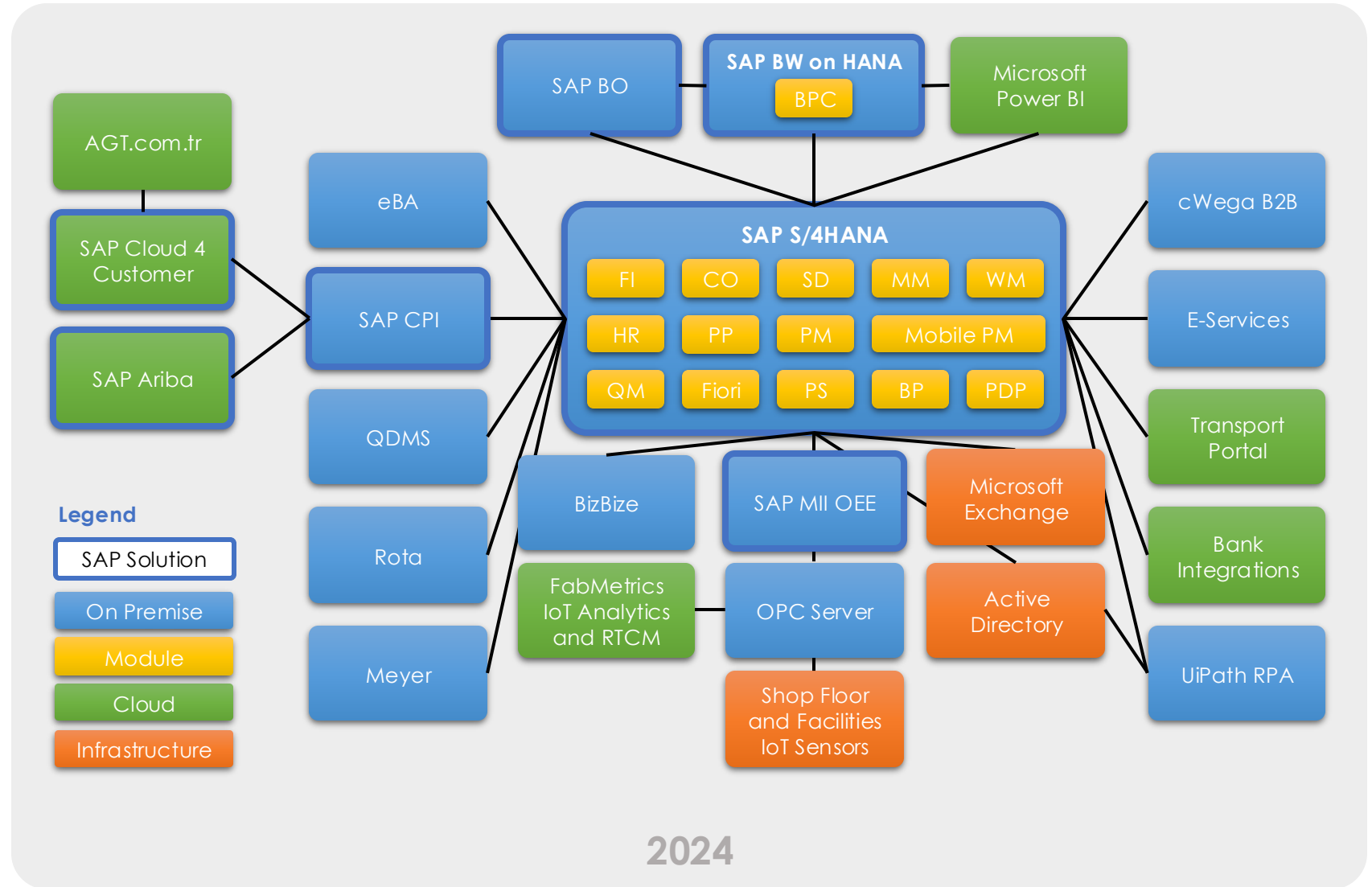
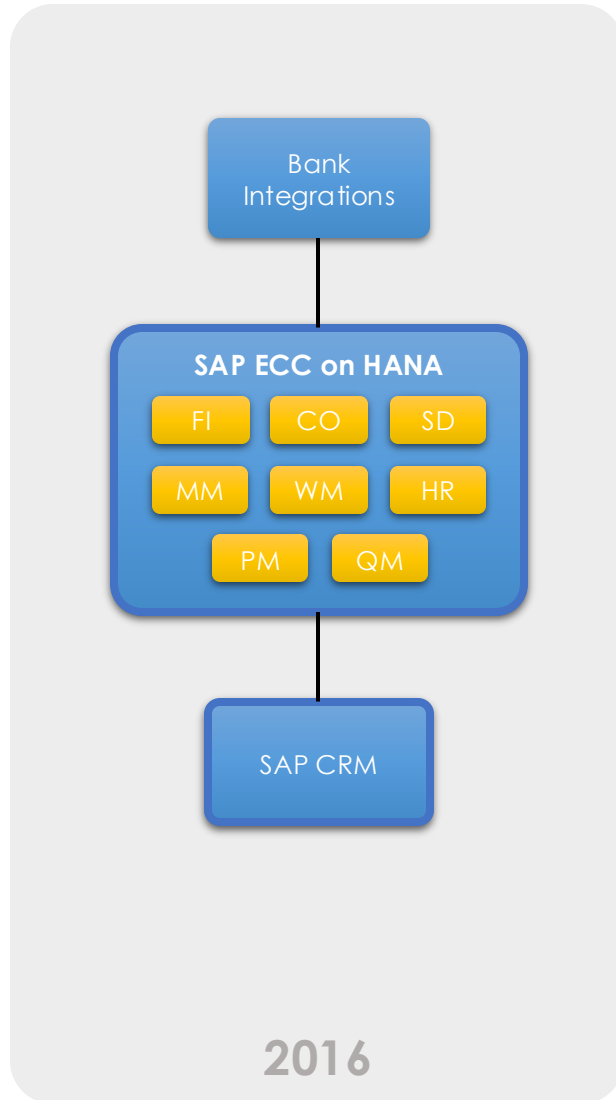
## SAP Solutions using by AGT

- S/4HANA ERP on-prem (since 2016)
- MII OEE (since 2017)
- Cloud 4 Customer (since 2022)
- Ariba (since 2023)
- BW & BO & BPC (since 2016)
- CPI (since 2022)



# ERP, Digital Core of AGT Knowledge and Intelligence

World's trusted digital core for information sustainability.



# SAP's Solution to AGT's S&OP needs: SAP IBP Family

- IBP is a good example to integration of many information sources that creates the knowledge and intelligence.

- AGT's objectives and needs about demand and planning:



Increase the stock visibility



Improve accuracy



Enable collaboration



Reduce working capital

# SAP Supply Chain Planning Platform

Connect strategic and operational planning with real-time visibility and execution

## Digital Business Planning



### Plan

#### SAP Integrated Business Planning (IBP) for Supply Chain

- Digital Twin of the entire supply chain
- Predictive and Prescriptive Decision Support
- Real-time scenarios and Intelligent Visibility
- Impact Analysis & Optimization



### Collaborate

#### SAP Business Network

High scalability with access to trading partners (including suppliers, logistics providers, and customers) for collaborative planning and execution

#### SAP Analytics Cloud (SAC)

Financial planning, steering and financial impact analysis on enterprise level



### Execute

#### SAP S/4HANA

Leverage proximity to core for transactional planning and scheduling, order promising and service parts planning.



### Innovate

#### SAP Artificial Intelligence

Leverage AI technology to improve master data quality, manage supply chain risk and improve sustainability

This is the current state of planning and may be changed by SAP at any time.

# AGT's Estimated Gains with SAP IBP\*



## Incomes

- 1% - 2% turnover increase
- 20% – 30% ready-to-sale stock increase
- 5% - 10% improvement in service level



## Operation Costs

- 20% - 30% increased planning efficiency
- 10% - 20% improvement in order fulfillment time
- 5% - 10% reduction in inventory carrying costs



## Resource utilization / Working capital

- 5% - 15% decrease in inventory levels
- 5% - 10% inventory turnover increase
- 5% - 10% reduction in cash-to-cash time

\* IBM, Aberdeen & Gartner Case Studies & Benchmarks from SAP Value Engineering



# AGT's current readiness steps for SAP IBP Project

**OTIF** (on time, in full) is the fundamental indicator to measure supply chain performance.



**On time:** When did the customer expect the product, when did I ship it?



**In full:** How many of the product I produced did I ship?

## Current Steps

- Collecting shipment forecasts from dealers based on order items
- Preparing processes to report **OTIF** in S4

# AGT SAP IBP Project Roadmap

2024  
S&OP Readiness  
OTIF preparation

2025  
Phase 1: Advanced Planning  
Demand forecasting (IBP Demand)  
Sales & ops planning (IBP S&OP)

2026  
Phase 2: Supply Chain Optimization  
IBP Response & Supply  
Scheduling (SAP PP/DS)  
SAP aATP

# Conclusion

**AGT has big dreams.**

**Integration is the key to create knowledge and intelligence from information.**

## **Our Mission**

**Digitalised, sustainable and optimised business processes powered by AI.**

We decided on **SAP** to make this dreams come true.

Thank you!  
Q&A Session

/agtworld  
linkedin.com/company/agt  
agt.com.tr  
mesut.can@agt.com.tr