



SAP Business Transformation Study | Industrial Machinery and Components | Lennox International

How Can You Achieve High Forecast Accuracy for Global Demand Planning?

Whether dealing with residential or commercial heating, ventilation, and air conditioning and refrigeration units, when systems fail, customers need a reliable partner to resolve issues or replace equipment. For generations, residential customers and businesses have turned to Lennox International to fulfill their HVAC and refrigeration needs. Founded in 1895 in Marshalltown, Iowa, Lennox International has since grown into a global business, employing more than 10,000 people worldwide. To meet demand and better support customers in fast-moving markets, the company needed a powerful demand planning solution.

After a thorough search, Lennox International decided on the SAP® Integrated Business Planning application for demand as a single, robust solution for global demand planning. The implementation was completed quickly thanks to the SAP Best Practices package for SAP Integrated Business Planning. Now Lennox International is maximizing efficiency, mitigating risks, and increasing transparency across supply chain activities – helping it meet the needs of customers around the world.





Enabling Global Demand Planning with SAP® Integrated Business Planning



Lennox International Inc.
Richardson, Texas
www.lennoxinternational.com

Industry
Industrial machinery
and components

Products and Services
Climate control products for
heating, ventilation, and air
conditioning and refrigeration

Employees
>10,000

Revenue
US\$3.64 billion

SAP® Solutions
SAP® Integrated Business
Planning application for
demand and the SAP Best
Practices package for SAP
Integrated Business Planning

Global enterprise Lennox International was in search of a solution to better manage demand across multiple channels. The company chose to deploy SAP Integrated Business Planning for demand. Now Lennox International has a comprehensive overview of its supply chain, combined with strong capabilities, allowing the company to be agile and highly responsive to customer needs.

Before: Challenges and Opportunities

- Improve working capital with forecast accuracy
- Enable what-if scenario planning to support decision-making on tactical and medium-term plans
- Report real-time data and provide instant what-if demand analysis to better respond to customers
- Reduce data collection time and storage space requirements
- Deploy a simple solution to keep up with fast-moving markets

Why SAP

- SAP Integrated Business Planning for demand to optimize supply-chain demand-planning activities
- Integration with the existing SAP ERP powered by SAP HANA®
- Fast implementation using the SAP Best Practices package for SAP Integrated Business Planning

After: Value-Driven Results

- Higher transparency across supply chain activities
- Maximum efficiency while mitigating risks
- Extremely flexible reporting that allows detailed, ad hoc reports to be generated in seconds
- Real-time health scorecard and dashboards for managers and executives
- Reduction in configuration efforts and duplicate work
- Subsequent additions for sales and operations planning, inventory, and supply planning

“We needed a solution to meet our global demand planning requirements right away. SAP Integrated Business Planning for demand and SAP Best Practices for SAP Integrated Business Planning allowed us to serve our fast- moving markets and gain transparency across our supply chain.”

Mani Suresh, Business Solutions Lead Architect Supply Chain Management, Lennox International Inc.

Up to 80%

Better forecast accuracy

90%

Less time needed for data collection

Improved

Working capital

Enhanced

Decision-making

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