



ALZ Intranet ensures that rolling mill keeps going



It all began with a computer performance evaluation program running on a mainframe. More than 10 years later, steel rolling company ALZ still uses SAS solutions, but the scope of its applications has expanded enormously. Quality control, customer service, stock management, production planning and cost-benefit analyses all benefit from the latest SAS software and its integration with the Internet.



Sinks, tableware, washing bowls, dinner trays, saucepans, rims, boilers, washing machine drums, process and cryogenic plant equipment, beer kegs, tubes and fittings, tank containers and road tankers... stainless steel is used in a vast range of industrial, domestic and architectural applications. ALZ in Genk (Belgium) is the sole producer of thin stainless steel sheets in the Benelux countries. Formed in 1961, the company is now wholly owned by ARBED through its subsidiary SID-MAR and its major facilities are the electrical steelworks and cold rolling mills at the Genk site. Hot rolling is carried out primarily at the Stahlwerke Bremen site. ALZ is among the few mills in the world capable of producing stainless steel sheet up to 2,000 mm wide. In 1999, ALZ recorded a turnover of € 708.9 million. The company has subsidiaries and sales offices in 11 countries in Europe, Asia and America.

"SAS software has delivered the answer to ALZ's expanding information needs for more than 10 years, and today it still forms the foundation of our future plans."

Kris Vranken

Data Warehouse Program Manager, ALZ

"When we think of it now, the first application of SAS software at ALZ was rather limited," recalled Kris Vranken, Data Warehouse Program Manager at steel rolling company ALZ. "At the end of the eighties, that computer performance evaluation program ran on a mainframe and produced only long lists of results."

This limited, but successful, application quickly sparked off demands from other departments. Second in line came a Management Information System built with SAS software on a mainframe. From 1994 on, with the move to a client/server environment, the appetite for information from several sources in the company led to new developments.

Natural evolution to a data warehouse

"We were badly in need of a common, independent environment for information exchange between our Quality Control system and our Complaints Processing system," said Kris Vranken. Complaints Processing investigates whether complaints are justified, finds the cause of problems such as surface irregularities in a coil, checks to see if the same defect is

present in other coils and finally ends up at Quality Control on the production lines.

"While the SAS solution developed for this process on an NT server provided us with all the functionality we wanted, almost immediately we thought it would be a good idea to make this information available to our subsidiaries too. Moreover, in 1997 we realized that we had a large number of programs saving data in a wide range of different locations, and that they were poorly documented and lacking in standardization. We decided that a data warehouse was clearly the next logical step," stated Kris Vranken.

Selection criteria

To create and manage its data warehouse, ALZ wanted an easily customizable solution that would offer a single point of control. This had to be achieved while reducing the complexity of building and managing the data warehouse, and helping to automate day-to-day processes.

"We were familiar with the robustness and solidity of SAS software," said Kris Vranken, "and now we discovered that

SAS/Warehouse Administrator® offered us all the flexibility and scalability we needed. It brings together the components in SAS software which are key to setting up and managing a data warehouse capable of evolving as our needs expand."

Another convincing argument for the choice of SAS/Warehouse Administrator® was that it would ensure maximum continuing benefit from the knowledge ALZ had built up previously in the use of SAS software. "New SAS solutions build seamlessly onwards from our present store of knowledge," said Kris Vranken, "and that also applies to the latest Version 8."

The final deciding factor in ALZ's comparison with other packages was SAS software's intrinsic qualities. "SAS software is not platform-dependent (we run it under MVS on an NT server and NT workstations), superbly integrated, is able to process huge quantities of data with ease, can be fully integrated with Microsoft Office products and makes migration to an Intranet relatively simple."

Improved productivity

A 6-person data warehouse team has been developing various data warehouse applications since 1998. One of the team's most urgent projects was coordinating production with sales for the Sales department. ALZ does not hold stocks of standard products. Each order is custom-made, with factors such as the intended application determining the composition of the stainless steel to be used. This makes it vital to be able to plan production as far ahead as possible, taking into account orders from foreign subsidiaries, which have a high degree of autonomy.



The SAS data warehouse application enables ALZ to use its production capacity more effectively and to improve delivery and service levels to its customers.

"This data warehouse application enables us to use our production capacity more effectively and to improve delivery and service levels to our 1,200 customers," confirmed Kris Vranken.

Promoting and fulfilling information needs

The data warehouse was subsequently to be expanded to include a post-production cost calculation system. Cost-benefit analysis will enable the company to determine profit margins per customer, country and product group. The data warehouse team currently develops a pre-production price calculation system which will apply the results from the cost system to incoming orders. This calculation will show the projected profit margin and thus the total profit expected from each order, giving the company the option of refusing any orders likely to yield a set minimum level of profitability.

ALZ's data warehouse team examines plans to move on to data mining, which should allow the company to react

even faster to business opportunities or potential loss of revenue. The team is also working on an e-business project, which would give customers access to certain company data (such as stock levels) via the Internet. "At the end of 2000, the SAS data warehouse had some 100 users, including our subsidiaries, and we expect this number to rise to more than 200 during the course of 2001 as we implement the various data warehouse projects. We have also observed that most of our users are using the data warehouse increasingly often for analyses and studies once they discover the benefits they can obtain from the enormous wealth of information available and the rapid data retrieval facilities provided by the SAS data warehouse," concluded Kris Vranken.



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