Kodak's Journey to S/4HANA and the Cloud:
Transforming the SAP back office to help enhance what the world sees and creates

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What we will cover today

- Company/Partner introductions

- Kodak overview

- Project baseline

- Project approach

- The benefits of automation

- Project results

- Lessons learned and wrap-up

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About Avvale

- 3,000 professionals across 11 countries
- HQ in Denver, CO
- Key focus areas:
  - S/4HANA and cloud migrations
  - Digital strategy and advisory services
  - Digital commerce
  - Smart and connected products
  - Cloud native development
  - Data strategy and monetization
  - AI and ML strategy and execution
- Learn more at https://www.avvale.com/

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CONTINUOUS MOMENTUM TOWARDS CHANGE

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About SNP Transformations Inc.

- Founded in 1994
- HQ in Heidelberg, Germany
- 3,000+ clients, 14,500+ projects
- 1,400+ employees in 35+ countries
- Key focus areas:
  - BLUEFIELD™ S/4HANA migrations
  - M&A/D synergy enablement
  - Systems consolidation and harmonization
  - Real-time data integration and archiving
  - Move to any cloud
  - Technical downtime minimization

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Kodak: A global industry manufacturer

- Clear focus on our core businesses in commercial print and advanced materials & chemicals\

- Leveraging strengths in chemicals, coating technology and roll-to-roll manufacturing to develop long-term growth initiatives

- The IT landscape pre-project

  - Deployed SAP R/3 in 1997

  - Single Instance for 30+ countries

  - On premise with decades years of data and hundreds of Legal entities

Why the change? Why now?

Drive greater productivity internally and become easier for customers to do business with

- Simplify the IT landscape

- Carve out the necessary data – 15%

- Modernize - move to Azure

- Create foundation for business process improvements

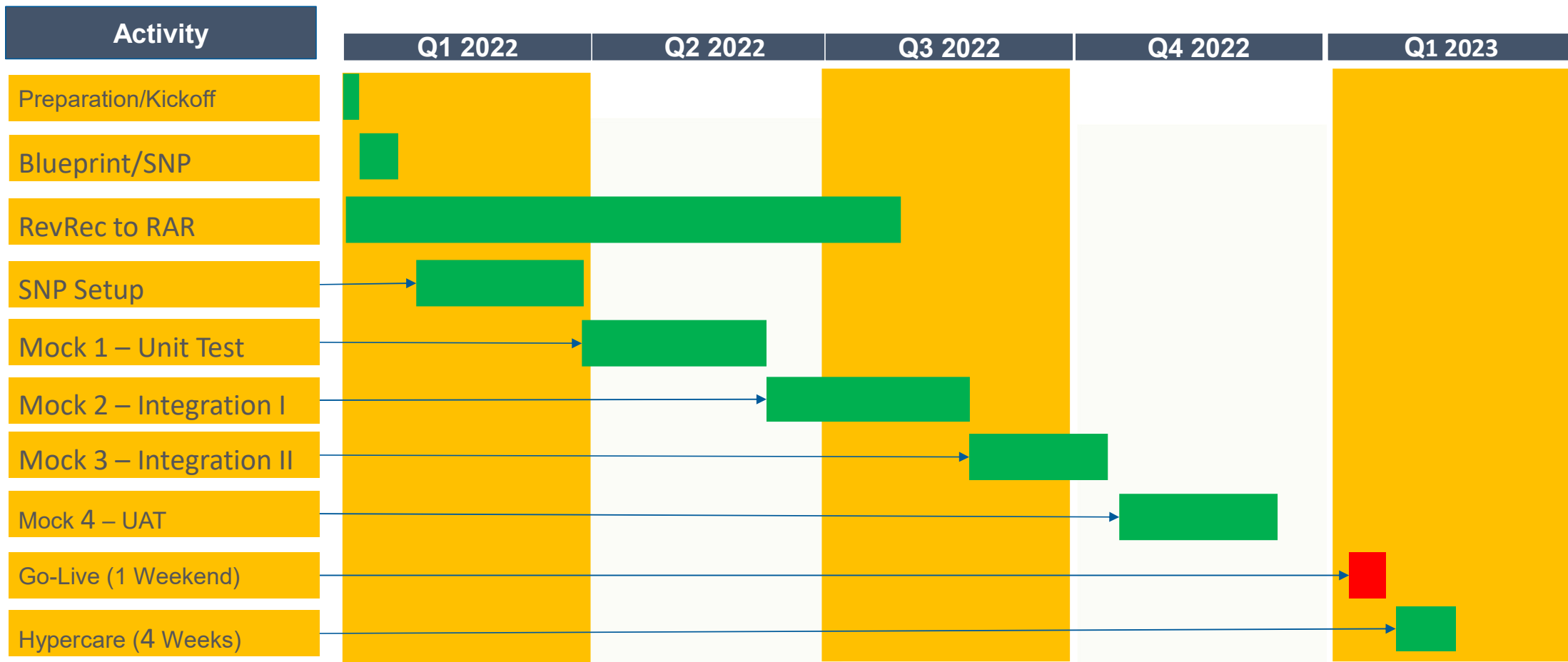- Upgrade from ECC to S/4HANA, Oracle DB to HANA DB

The functional and technical landscape

- Kodak started as an R/2 shop in the early 1990s

- The ECC 6 EHP 5 system in 2021/22 included

  - Full range of functionality

  - Classic G/L

  - Hundreds of company codes + decades of data

  - SD Revenue Recognition

- The broader SAP landscape included BW, BOBJ, CRM, Data Services, GRC, GTS, HCM, Portal, PI, and SRM

- The move to S/4HANA required

  - Conversion to NewGL and Business Partners

  - Self-Service Procurement + Ariba

  - Upgrade of PLM and RAR

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The project spanned twelve months exclusive of hypercare

Activity	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Preparation/Kickoff					
Blueprint/SNP					
RevRec to RAR					
SNP Setup					
Mock 1 – Unit Test					
Mock 2 – Integration I					
Mock 3 – Integration II					
Mock 4 – UAT					
Go-Live (1 Weekend)					
Hypercare (4 Weeks)					

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Avvale brought in SNP and their CrystalBridge® automation platform to reduce time and cost, and decrease delivery risk

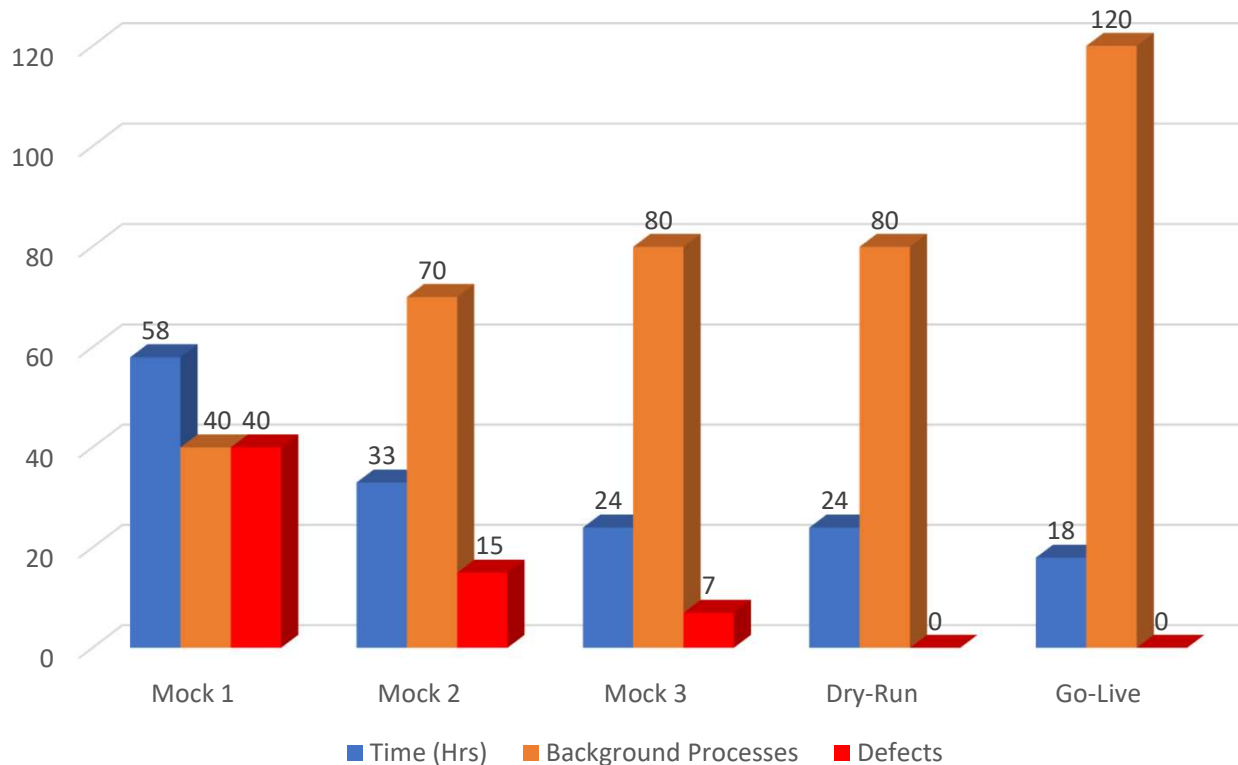| Preparation	Implementation	Ongoing operations
■ Assess and optimize the system landscape ■ Identify business potential ■ Optimize business processes ■ Create roadmap	■ Migrate to the new S/4HANA target system ■ Review the individual project steps ■ Execute test runs	■ Manage processes and systems

- CrystalBridge® automation was used in part for:
  - Creating hundreds of migration objects
  - Analyzing all hierarchy, master, and transactional data
  - Adding the in-scope org unit to the control system to be used for all modules
  - Selecting and migration only two years of transactional data

> Using traditional means, this effort would have taken up to **8X** longer to execute assuming no errors found

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The mock runs were used to make the final go-live a non-event – doing more and fine-tuning with each one

Mock Run Details at Each Test Phase Completion
(Import, Export, Loading Balance Carry-Forward, NewGL, S/4 Conversion)

Legend: ■ Time (Hrs) ■ Background Processes ■ Defects

	Mock 1	Mock 2	Mock 3	Dry-Run	Go-Live
Time (Hrs)	58	33	24	24	18
Background Processes	40	70	80	80	120
Defects	40	15	7	0	0

Observations/Findings

- Found a gap between the given rules and scope vs. what we implemented

- Found some missing customizations needed for the S/4HANA system

- The focus was on the quality + enhancement of the objects to reduce the timing

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In short: A smooth go-live

- The final results:

    - Technical downtime for SNP activities = 18hrs

    - Business downtime = 54hrs

    - Target system size reduced by 85% through a combination of data clean-up and leaving history behind

    - 90% of company codes removed from the live system

- SNP finished ahead of plan by six hours - giving more time to Kodak for business validation

- Zero SNP defects from the final dry run helped the broader team focus on the cut-over plan

- Business users were happy because they didn't have to fill in any templates or provide additional information after the workshops (i.e., typical Greenfield effort)

- No urgent phone calls from the CFO/auditors

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Lessons learned

- Test Test Test – particularly when adding advanced functionality to the scope of the migration project

- Choose carve-out criteria carefully - keep it simple and stick to it

- Rationalize customizations

- Don't underestimate the Basis and infrastructure support needed

- While it is possible to go live at any time, best to go-live on a year-end boundary if you are a public company – it makes SOX and auditing less challenging

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Feel free to contact us for more information about our respective organizations and capabilities

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Thank you.

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