



Case Study

## Leading Manufacturer Saves \$250K Annually With SAP ECC Legacy Decommissioning after Move to S/4HANA Compliance - Cloud Data Retention - IT Transformation

By Jochen Hager

Two years after successfully implementing SAP® S/4HANA, a \$1.44 billion leading manufacturer recognized the need to sunset its legacy SAP ERP system. The primary objective was to significantly streamline the SAP landscape by eliminating a Dev environment, two QA environments, and a Production SAP system, along with the associated application servers, database servers, and backup infrastructure. Additionally, all ERP data that was not migrated to S/4HANA—specifically data from divested companies still under audit and critical HR data for retired pensioners—needed to be preserved for years to come.

To address this challenge, West Chester, PA-based Solution Exchange LLC (SolutionXchg) collaborated closely with TJC Group in France, offering a decommissioning strategy centered around TJC's cloud-based legacy archiving solution ELSA. This decommissioning project resulted in substantial cost savings, estimated at \$250,000 annually or \$1 million over four years, by reducing SAP and Oracle license and maintenance fees.

SolutionXchg and TJC experts employed TJC's proven Audit Extraction Cockpit (TJC AEC) to extract all data from the SAP ECC ERP system. The data was securely stored in Cloud BLOB storage, while data required for day-to-day retrieval was loaded into ELSA, an SAP BTP Cloud SaaS solution. ELSA enables users to access and retrieve data through SAP-like views, without the complexity and overhead of maintaining a full SAP landscape.

### Decommissioning Project keeps Critical Enterprise Data close at Hand.

#### Project Drivers IT Transformation

When migrating to SAP S/4HANA, companies often leave behind much of their SAP ECC data. Typically, only a subset of the existing data is migrated, driven by the need for data cleanup and cost savings for the SAP HANA database.

To minimize the scope of their S/4HANA projects, SAP users are sometimes advised to “freeze” their existing SAP ECC systems by moving them to a virtual machine environment, powering them up only when necessary, or even doing nothing at all.

However, these options are not advisable due to the potentially high software and administration costs involved and the significant security

- **\$1 Million in Savings Over Four Years:** Achieved through SAP decommissioning.
- **Additional Cost Reductions:** Realized by retiring a multi-tier SAP landscape, including backups and HA components.
- **Complete Data Preservation:** Ensured through a secure, compliant process.
- **Data Visualization:** Enabled via a BTP-based SaaS solution.
- **Fully Compliant Data Extraction:** A rigorous process guarantees adherence to regulatory requirements.

and risks. What was intended to be an occasional power-up can easily become a continuously running system, requiring frequent security updates without the support of a full IT landscape, thereby converting a non-critical system into a high-risk one.

#### Cost Benefits Amortization

The client recognized that maintaining its legacy system alongside S/4HANA was unsustainable, both financially and operationally.

The company risked wasting valuable IT resources on managing an outdated system, and in the long term, the scarcity of legacy skills would only exacerbate the cost problem. Estimated future costs for maintaining the legacy

system were around \$30K per server annually.

More concerning was the impending need to pay SAP and Oracle an additional \$250K per year in software maintenance and licensing fees if they failed to demonstrate that the legacy systems were fully decommissioned.

## Decommissioning Requirements

Beyond the obvious cost and security benefits of decommissioning legacy systems, another significant advantage is the ability to retire legacy business data from divested entities that no longer require active management.

The company had undergone several divestitures, creating a legal obligation to maintain financial and transactional data from these entities, as well as employee data for retirees and those who transitioned to newly formed entities.

This is particularly important for pension records, which must remain accessible for decades after employment ends, until all eligible individuals and their dependents are no longer alive.

## Project Phases Implementation

Over a 16-month period, solutionXchg and TJC Group consultants collaborated with the customer through a four-phase implementation process. They created data extracts, built dynamic queries as needed, and provided additional SAP transaction-like queries. The project involved extensive use case definition from the outset, with TJC data management experts executing data separation procedures to minimize data

volume and prevent duplication with data already in S/4HANA.

During Phase 1, the team delivered a proof of concept (POC) using partial data and selected functionality, which received broad business approval for the new technology. Once the POC was approved, Phases 2 and 3 advanced the project to a pilot phase with a full dataset, followed by a full production implementation.

TJC Group began the project by extracting SAP tables, separating data by company code and fiscal year where possible. This significantly reduced the amount of data that needed to be loaded into ELSA.

To ensure data completeness, it was essential to also reload all data previously archived using SAP's data archiving methodology from the flat files where it was stored and make it accessible in ELSA.

Initially, all data was loaded into Microsoft Azure BLOB storage for long-term preservation and security. From there, relevant data was partially transferred to a MySQL database, also hosted in Microsoft Azure. ELSA operates directly on the data within this MySQL database.

## Resources Saved Future Assured

"It was critical to complete the decommissioning project on time because SAP had set a hard deadline," says the lead architect. "We needed to prove that not only had we powered down our SAP ECC system, but that it was completely uninstalled from our servers."

Now, with SAP ECC shut down, end users can view all historical data

decommissioned within ELSA for the life of the data. They can run ad-hoc queries,

**"We met the decommissioning deadline and saved \$250K in SAP and Oracle license and maintenance fees. But the real win was delivering an efficient cloud-based solution that gives our users access to all the data they need, without the burden of maintaining a costly multi-tier SAP landscape."**

**Senior SAP Architect,  
Decommissioning Project**

predefined and custom dynamic queries, and pre-built transaction simulations that closely resemble original SAP transactions. They can also pull up static reports and view original PDFs and other archived documents directly attached to transactional information.

Overall, the customer has calculated substantial savings resulting from the legacy SAP system decommissioning, achieved with the help of TJC Group. This includes generating an annual cost saving of over \$250,000 by avoiding SAP and Oracle license fee renewals. If the legacy Oracle database had simply been frozen rather than decommissioned, these software licensing costs would have been incurred indefinitely, in addition to the ongoing costs of running and maintaining a full legacy SAP IT landscape. ■



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