

Louisiana Pacific strengthens its technology foundation

Building-solutions company deploys technology to make the most of a construction boom

Builders and homeowners across the country trust Louisiana Pacific's engineered-wood building products to create quality homes. A pioneer in high-performance building solutions, LP's FlameBlock Fire-Rated OSB Sheathing, Legacy Sub-Flooring, SmartSide Trim & Siding and TechShield Radiant Barrier Sheathing products have helped the Nashville, Tenn.-headquartered manufacturer become a nearly \$3 billion company.

Transforming to seize the market opportunity

As the U.S. housing market started to recover in 2013, the company decided to use technology across its business to take advantage of the upcoming boom. LP knew its products would support growth but it wanted to set aggressive targets to make the most of the opportunity.

LP needed more from its technology: more scalability, better performance, and greater efficiencies. Faster end-user application performance, processing of nightly data loads, and optimizing costs were all essential for creating a system to give LP a competitive advantage. It also needed an agile platform to respond to future challenges more quickly and to nimbly support growth.



The key for us is solutions that reduce the amount of labor, simplify the building process, and make sure we are making the most efficient use of raw materials, as well as producing efficient products for homeowners."

Jeff Yelle

Director, IT Center of Excellence, LP





With the recovering housing market and the increased demand on our business, reliability and uptime are paramount.”

Don Walker
CIO, LP



As we were reaching out to the plants, asking them if they were having any issues, they were actually reporting even better results than they had previously.”

Don Walker
CIO, LP



The response time that we get helps our users get out of punching keys on a keyboard and back to serving our customers, running the business process, loading trucks, and delivering value to our customers.”

Jeff Yelle
Director, IT Center of Excellence, LP

Moving the business forward with technology

Capgemini is LP’s longstanding technology partner and, following a technology review, the need for a more flexible IT infrastructure was identified. They chose to migrate from a data-center model to a cloud-based SAP environment. This would provide scalability for rapid growth, agility in updated environments, more on-demand workloads, and lower operating costs.

LP worked with Capgemini and Amazon Web Services (AWS) to map out the cloud model functionality, the transition process, and potential risks. Understanding that public cloud environments have different challenges than private hosted environments, LP worked with Capgemini and AWS to thoroughly evaluate risk tolerance and future infrastructure goals before selecting the public option.

Migrating to the cloud

With a tight four-month deadline, the migration moved five SAP landscapes with more than 73 systems from a data center environment to the AWS Cloud. LP, Capgemini, and AWS collaborated closely to ensure a flawless execution. They reviewed the proposed framework to make sure the SAP environment deployed on AWS met Amazon’s Well Architected Framework guidelines, both before and after deployment.

The migration was completed ahead of schedule and exceeded all expectations. LP, Capgemini, and AWS worked as a single integrated team to meet the aggressive timelines. Once the production environment went live, IT support personnel were prepared for calls reporting bugs, down systems, and other problems, but the support line was quiet. The team heard only that the new public cloud environment was operating faster and work was being completed more efficiently.

Reframing business operations

With the SAP implementation deployed on the AWS public cloud, LP now loads trucks faster with fewer logistical problems. Response time for employees is lightning fast. Reporting now leverages real-time data, as well as nightly data loads, for fast and accurate business insights.

LP has seen an improvement in application performance of about 20%. Its new flexible cloud platform can easily expand as needed to add new workloads and functionality to accommodate the fluctuations of the housing and construction markets.

The company benefits from 24x7 availability and improved disaster recovery. On the AWS cloud, automatic fail-overs mean greater reliability. Disaster recovery capabilities were established for more than 20 production servers using the CloudEndure Disaster Recovery suite and SAP HANA system replication capabilities. In the event of hardware issues, AWS will trigger the automatic recovery of the virtual machines on new hardware while Capgemini immediately notifies administrators of the event.

Landscapes migrated (5)

- Sandbox
- Dev
- QA
- Prod
- DR

Solutions migrated (10)

- BW
- BOBJ
- GRC
- PI
- Portal
- Vertex
- CPS
- SCM
- Adobe
- SolMan



LP anticipates saving \$5 million over five years. In addition, Capgemini was able to tune LP's service delivery model to include a better blend of resources, refine business processes, and deliver cost savings, as well as improve overall operations.

Building for the future

The improvements establish a baseline that can be readily scaled to support LP's operations in the future. Additionally, the company is now able to implement software patches and upgrades at a rapid pace that minimize disruptions to daily business operations.

Having adopted a cloud-centric mindset, LP can now easily leverage the benefits of the Internet of Things (IoT). Future possibilities range from outfitting factories for real-time insights to more accurately tracking logistics, allowing rapid identification and resolution of any challenges along the value chain. Machine learning, AI, and natural language processing can automate and expedite tasks, while analytics can better inform decision-making and strategy.

LP underwent a fast but transformative journey that radically changed the way its business operates. With frictionless agility, improved performance, and a resilient digital core, the organization can look forward to another 45 years of providing leading engineered-wood solutions to the construction industry.





About Capgemini

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of over 200,000 team members in more than 40 countries. The Group reported 2018 global revenues of EUR 13.2 billion (about \$15.6 billion USD at 2018 average rate).

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