

## Furla chooses Sterling Commerce B2B integration for improved collaboration with retailers



### FURLA

#### Location

Italy

#### Industry

Luxury Fashion Goods

#### Business challenge

Adopt a B2B solution to improve the effectiveness of order-to-payment process in the U.S. market and provide the basis for further collaborative initiatives with its sales agents, supply chain operators and customers across Europe and the United States.

#### Solution

- Sterling Integrator®
- Sterling Information Broker®

#### Benefits

- Improve service and responsiveness to customer
- Eliminate cost of penalty charges
- Consolidate and report data

## Furla

### Customer background

Furla, one of the world's leading purveyors of luxury goods and leather accessories, selected Sterling Commerce to optimise data integration with its sales agents and supply chain operators. Furla operates a global franchise network and is a supplier to leading overseas fashion retailers.

### Business challenge

Furla needed to implement the transmission of EDI documents to U.S. department stores. The initial phase of the project involved the integration of data relating to U.S.-wide orders and shipments, between Furla's headquarters, its subsidiaries and points of sale (Bloomingdale's, Saks, and other retail outlets).

Prior to implementing business integration, the local Furla franchise relied on a paper-based, manual process for managing orders, deliveries and invoicing, across third party warehousing and carrier agents, as well as customers and Furla headquarters in Milan, Italy. The end-to-end, order-to-payment process was subject to a large number of delays, errors and reporting inaccuracies that drove down service levels and incurred penalty charges from larger customers.

Key difficulties included:

- The inability of Furla USA to receive EDI orders from U.S. customers
- Slow creation of integrated commercial documents for multiple deliveries to the same customer. This was a manual process carried out at the point of delivery by the carrier, resulting in delays and errors
- The need for ASN integration with the subsidiary's accounts-management system for retrieval of commercial data and the subsequent generation of EDI billing documents

### Solution

The requirements for the project were as follows:

- The need to create EDI files compliant with American EDI ANSI x 12 standards
- The need to produce EDI documents for diverse clients using internal management data
- The need to facilitate human interaction between overseas carriers on the basis of shipment data provided by the head office
- The need for EDI file sharing with the U.S. subsidiary for commercial and billing purposes

---

*"We selected Sterling Integrator because we were looking for a solution that could be implemented tactically but that also could be used to develop future services for our suppliers. We now can automate the transition of the electronic purchase orders of our supply chain partners and transfer the Advance Shipment Notice (ASN) to the system at the subsidiary, where shipment data can be integrated with billing data to generate electronic billing files from their own database saving on time and resource."*

Claudia Capparucci  
IT Manager,  
Furla

In its decision to adopt the Sterling Commerce B2B integration platform, Sterling Integrator and Sterling Information Broker, Furla is now in a position to satisfy the requirements of the project by enabling the creation of documents by extracting data from its core AS/400 file system. Document exchange is automated and carried out via EDI and FTP through the Sterling Commerce Sterling Information Broker Value Added Network (VAN) service.

Throughout the order-to-payment process, personnel from each of the organisations in the supply chain are able to view and manage data and events through standard web interfaces. Subsidiary staff receive the EDI purchase order and pass it electronically

through to Furla's core systems. U.S. warehouse personnel access relevant data and automatically create Advanced Shipping Notices (ASNs). Furla USA integrates ASN information into their invoicing process and automatically generates EDI invoices that will match the goods delivered.

Data flows are also consolidated back into Furla's Italian headquarters, where billing data for Furla USA is updated.

According to Claudia Capparucci, IT Manager at Furla, "Our first major decision was whether to implement an EDI application or revert to outsourcing for EDI project management with turnkey solutions, as offered by many U.S. service providers. This second option, which seemed very attractive at first, proved to be limited in a number of respects: return on the initial investment, the impossibility of interfacing with other intra-company systems, customisation difficulties, notably in reference to the entering of key data into ASNs by local carriers. The primary and unique feature of the Sterling Commerce solution was its ability to act as an "integrator" rather than a mere "translator." This enabled us to obtain an EDI purchase order and transform it into our B2B order, and to transfer the ASN to the system at the subsidiary, integrating shipment data with billing data and generating EDI billing files from that administrative database."

## Key benefits

By integrating the full order-to-payment process and automating the creation of consolidated, accurate shipping and invoicing documents, Furla greatly improved service and responsiveness to customers, as well as eliminated the cost of penalty charges and overall supply chain operations. The Furla solution leverages the powerful Web interface capabilities of Sterling Integrator to give staff across multiple organisations and locations the ability to view and manage shared data and processes in real time. It also consolidates and reports data across every stage of the process back to Furla headquarters for visibility, analysis and administrative purposes.

Furla's use of Sterling Commerce solutions demonstrates how multi-enterprise collaboration enabled by Sterling Commerce helps companies work closely with their supply chain partners to automate data exchange and deliver more efficient, effective business processes. The elimination of time-intensive, costly manual intervention and the ability to collaborate effectively with distributors and retailers will deliver improved visibility into the supply chain business processes and faster ROI for Furla.

## About Sterling Commerce

Sterling Commerce, an AT&T Inc. (NYSE:T) company, helps companies optimise and transform their Business Collaboration Network quickly, easily and securely so they can accelerate revenues, reduce costs and protect their enterprise. Sterling Commerce provides more than 30,000 customers worldwide with applications and integration solutions to connect, communicate and collaborate with their customers, partners and suppliers. Learn more at [www.sterlingcommerce.uk](http://www.sterlingcommerce.uk).

**Sterling Commerce**  
An AT&T Company

---

For all Sterling Commerce offices worldwide, visit [www.sterlingcommerce.com](http://www.sterlingcommerce.com)

©2005 - 2009, Sterling Commerce, Inc.  
All rights reserved. Sterling Commerce and the Sterling Commerce logo are trademarks of Sterling Commerce, Inc. or its affiliated companies. All products referenced are the service marks, trademarks, or registered marks of their respective owners. Printed in EMEA.  
Neither this case study nor any portion thereof may be used or distributed with any other material without the express written consent of Sterling Commerce.  
SC0295E 08/09