

## Toshiba Europe commits to eCommunity



### TOSHIBA Leading Innovation >>>

#### Location

Neuss, Germany

#### Industry

Retail of IT hardware and other electronic products

#### Business challenge

- Build and manage an eCommunity
- Improve time to market for integration of new partners and offers
- Achieve operational efficiencies and reduced costs in the order to payment process

#### Solution

Sterling Integrator®

#### Benefits

- Automation of the order and delivery processes
- Business partner integration via EDI, XML and RosettaNet

*"In order to respond to customer demand for faster and more secure Internet communications, as well as additional formats such as XML, we selected Sterling Integrator. The benefits: more communication interfaces and, thanks to pre-manufactured adapters, more integration interfaces for various applications."*

Paula van Calker  
Head of Oracle Applications and EDI,  
Toshiba Europe

### Toshiba Europe

#### Customer background

Toshiba Europe GmbH, Neuss, is part of the global Toshiba Corporation conglomerate based in Tokyo, which has been established for 130 years. Currently, this large-scale enterprise with its 191,000 employees and a turnover of over USD 60 billion, is among the largest IT and electronics companies in the world.

Toshiba Europe GmbH is the European headquarters for a range of products including computer systems, projectors, storage media and consumer electronics. Toshiba Europe GmbH employs approximately 750 people (including the production plants in Regensburg) and achieved an annual turnover of over EUR 2.7 billion (as of 31st March 2007). Copiers, fax machines and document management solutions are sold by Toshiba TEC Germany Imaging Systems GmbH, which is also based in Neuss.

Like many companies operating in the global landscape, Toshiba is faced with global competition. This has resulted in a rapid decline in pricing for the Notebook segment. In order to counter pricing pressures and in an effort to reduce costs, the company aimed to make electronic handling of the order processes—from order placement to invoicing—more

efficient and transparent. This would bring the additional benefit of enhanced customer experience. Back-end processes, for example in Logistics, also required improvement with the help of electronic solutions.

Since 1996, Toshiba Europe has been using Gentran:Server® from Sterling Commerce as a classic Electronic Data Interchange (EDI) solution with which the data formats EDIFACT, ANSI and EANCOM, a subset of the EDIFACT standard, are mapped. AS/400 computers acted as the central processing platforms in Neuss. Only the larger business partners, such as the distributors and major dealers, were involved in the initial stage. The Datex-P telecommunications network was used as a means of electronically communicating orders, order confirmations, stock levels, dispatch information and invoices.

#### Business challenge

Since the volume of business transactions increased to over 18,000 a month since 1996, Toshiba wanted to extend the solution to include communications via the Internet and with a host of other formats, such as RosettaNet and XML (eXtensible Mark-up Language). At

the same time, the electronic trading community (or eCommunity) had to be developed to support extensive value chains across Europe, the Middle East and Africa. Partners became convinced of the benefits of belonging to an eCommunity.

## Solution

Toshiba decided to replace Gentran:Server with Sterling Integrator which provides a richer set of communication interfaces with pre-defined adapters offering integration interfaces for applications. "Right from the start, it was important for us to have not only the right integration products and methodologies, but also extensive consultancy competencies relating to EDI," emphasizes Paula van Calker, Head of Oracle and EDI Applications at Toshiba.

Building an eCommunity is a process of constant change. The larger the eCommunity, the greater the risk that the value chains will become unmanageable if there is no plan in place to manage partner requirements. Instead of greater efficiency, the situation becomes one of incompatible interfaces, large quantities of paper, errors and delays due to the friction of inefficient business processes and, ultimately, an increase in costs.

Sterling Integrator was installed for the first time in 2004, initially for a trial period. "With an AS2 test project, we

have opened the door to communication via the Internet and to XML", says Andreas Rys, B2B Integration Specialist at Toshiba Europe. "As soon as reliable results could be anticipated from in-house managed Internet-based communications, we wanted to adopt this form of communication when it was most cost effective, whilst still having the option of using the VAN to enable electronic trading with our remaining partners." Several partners were connected to this system. Communication took place via the Internet in accordance with the AS2 standard. Since then, other partners have been, and will continue to be, converted to communication via AS2. The proven security functions of Sterling Integrator include strict authentication through certificates and strong encryption of the transferred files according to the Advanced Encryption Standard (AES). This increase in security was urgently needed as the majority of communication that takes place within the eCommunity occurs via the public Internet.

Although the Gentran:Server solution from Sterling Commerce was already implemented at Toshiba, the decision in favour of Sterling Integrator was not guaranteed and Sterling Commerce had to prove itself against a set of competitive companies. "In addition to high-performance processing in real time, rapid onboarding of business partners and the reliable security features were the main reasons we

selected Sterling Commerce again," says Andreas Rys. Responsible for co-ordinating and conducting product selection through an extensive tendering process to numerous suppliers, Andreas Rys concludes "Sterling Commerce and Sterling Integrator impressed us enormously and fulfill all our criteria."

At the Neuss headquarters, the AS/400 system was replaced by the eBusiness Suite from Oracle and an ERP (Enterprise Resource Planning) system on Sun Microsystems servers. Sterling Integrator runs on VMware on virtual Windows 2003 servers. Over 140 business partners will be connected via Sterling Integrator in the final stage of development—including assembly plants, various logistics service providers and global warehouses.

## Key benefits

With Sterling Integrator, Toshiba has created continuous process chains and can already boast an electronic order rate of over 65 percent. Partners now have the choice of whether they want to communicate with Toshiba using the classic file formats or via XML. XML has the advantage that it also allows non-text information such as price lists and catalogues to be exchanged. In addition, partners do not need their own EDIFACT tool, which is of particular benefit for the smaller business partners.

## 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).

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