



Sterling Commerce helps Heinz achieve cost savings



Location

Ireland

Industry

Manufacturing

Business challenge

Providing Heinz with a reliable and scalable B2B Commerce solution, Gentran:Server® for UNIX, fully integrated with SAP and an E-community development program to convert their customers to the new system

Solution

- Gentran:Server for UNIX
- E-community development services

Benefits

- Streamlined business processes throughout supply chain
- Increased savings through automation and tighter coordination of business processes and systems
- Integrated seamlessly with legacy systems
- Improved customer service by quickening all processes
- Enabled customers to be more efficient as well

Heinz

Company background

H.J. Heinz is a premier international company supplying branded foods to retail and foodservice channels, with number-one or number-two branded businesses in more than 50 world markets. Although a US-based company, approximately 60% of Heinz's total sales come from outside the US market. One such affiliate is Heinz Ireland, which supplies a variety of foods to all the major Irish retailers.

Business challenge

In Europe, organic growth and acquisitions over the years have given Heinz a very fragmented IT infrastructure that supports multiple back-end applications, ERP systems, messaging standards, and protocols. In order to maintain and improve on the level of customer service, Heinz realized that it was not cost effective to run and maintain all these systems and applications. In order to streamline operations, eliminate cost centers, and promote efficiencies to all trading partners in its supply chain, Heinz embarked on an ERP consolidation

(standardizing on SAP) and messaging standard/protocol centralization initiative.

The first phase of ERP migration initiative began at Heinz Ireland. Although the existing communications infrastructure was fairly automated, all customers received messages and data in multiple formats. This caused trading parties to experience inefficiencies, errors, and a lack of visibility into day-to-day operations and supply chains. In order to communicate effectively with its current and future customer base, Heinz recognized that it would have to upgrade its EDI infrastructure to ensure tight integration with SAP, and provide support for future communications methodologies and standards.

The time frame for the SAP rollout was a very short three months. During this implementation, Heinz did not want the relationships or current communications infrastructure to be compromised. In order to successfully move all customers from the fragmented communications infrastructure to the centralized EDI

and SAP solution, Heinz relied on the project management, implementation and mapping services of the Sterling Commerce Professional Services organization. Furthermore, while Heinz focused on the SAP deployment, it utilized Sterling Commerce E-community Development Services (ECD) to provide support, rollout, and testing with the customer community.

Solution

In essence, Heinz wanted a total solution from Sterling Commerce that allowed it to focus its attentions on successfully implementing SAP, while entrusting Sterling Commerce to bring all customers on board the new communications

infrastructure. Through the ECD program, Sterling Commerce walked all customers through the benefits of utilizing a future-proofed communications environment and moved them to the new solution, while maintaining all existing communications methodologies, processes, and trading relationships. The ECD team tested all message types to and from the new application, while ensuring that this process was as simple, straightforward, and effortless as possible for Heinz's customers.

In only three months, Sterling Commerce Professional Services provided project management, implementation and key skill sets to ensure smooth running of the project. The Heinz IT department entirely focused on successfully implementing SAP, Sterling Commerce had to project manage and fully implement the solution in tandem with the ERP roll-out, while minimizing the impact on Heinz IT staff.

In utilizing Sterling Commerce project management, consultancy, and ECD services, Heinz found a trusted partner that had detailed knowledge of the retail industry, and was capable of delivering a scalable, robust, efficient, and cost effective solution to meet the needs of both the new ERP system and its customer base. Furthermore, Heinz also required a simple and efficient transfer of knowledge. The professional services

team provided this through a variety of short training initiatives to instruct the relevant Heinz IT staff on the operation of the new communications infrastructure. This has resulted in cost savings and efficiencies across the board, as fewer staff are needed to operate and maintain the new system. IT staff are now able to focus their attentions on other value-added development and customer service tasks, while maintaining control of the end-to-end supply chain process. Heinz is now in a position to expand the scope of this initiative to embrace new customers and also integrate other areas of its EMEA operations.

Ken benefits

Heinz now has a fully automated communications infrastructure with cost savings and efficiencies, and improved customer service and relationships. Fewer errors are now experienced due to the consolidation of message types and formats, and all trading parties have experienced improved visibility into their end-to-end supply chain processes. By utilizing the complete solution offering from Sterling Commerce and its ECD service, Heinz was able to successfully focus on its SAP implementation, while having peace of mind that Sterling Commerce would be capable of project managing, implementing, and delivering a robust and scalable communications infrastructure to all customers.

About Sterling Commerce

Sterling Commerce, an AT&T Inc. (NYSE:T) company, helps companies optimize and transform their Business Collaboration Network to accelerate revenues and reduce costs. Sterling Commerce provides more than 18,000 customers worldwide with applications and integration solutions to connect, communicate and collaborate inside and outside their enterprise. More information can be found at www.sterlingcommerce.com.

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