

Honeywell reduces electronic order process time using Sterling Commerce Gentran:Server



Honeywell

Location

International

Industry

Manufacturing

Business challenge

Automating Honeywell's order and dispatch processes [Solution](#)

Gentran:Server®

Benefits

- Shortened order entry times
- Faster processes
- Faster access to historical order data

Honeywell

Company background

With an annual turnover of close to \$24 billion and a workforce of around 120,000 in 95 countries, the Honeywell corporation is one of the top 5,000 companies in the world. Along with products and services for the aviation and automobile industries, its activities range from energy generation systems to special chemicals, fibres and plastics, as well as electronic and high-tech materials. For the heating and personal hygiene equipment market, as well as for home and building automation, the Honeywell Environmental and Combustion Controls (ECC) Strategic Business Unit offers a well-respected portfolio of specialist products, including strong brand names such as Braukmann, Centra and MNG. In Germany, one of Honeywell's primary markets, the company has access to the resources of a wide range of distribution networks and numerous manufacturing facilities.

Business challenge

Guido Späth, European IT manager, sales and marketing at Honeywell ECC in Mosbach, and his colleagues, are preparing to set up unified IT infrastructures for electronic communication within Honeywell's European branches and with its customers worldwide. Potential difficulties in technical communications between international companies is an e-commerce problem that should not be underestimated. While the world of traditional commerce has recognised English as the universal language of business, when it comes to ensuring common understanding between enterprises when exchanging digital data across borders, the situation is not as clear cut, due to the different programmes, standards and formats used in various countries and continents within the global supply chain.

"The benefits here have been two-fold; our business customers benefit from a networked and digitalised communications structure, and the complicated status structures have now been simplified—stock levels are more easily adjusted, and processes within the purchasing, bookkeeping and goods-in departments have all been optimised."

Guido Späth
European IT Manager Sales & Marketing of Honeywell,
Environmental & Combustion Controls,
Honeywell

Solution

The many divisions and worldwide compositions of Honeywell's business has meant that for a number of years the global communications framework has been in need of reshaping. In 2001 Honeywell introduced the 'Digital Works' initiative, with the aim of achieving standardisation of its IT infrastructures worldwide and eliminating paper-based processes. Central to the programme was the introduction of the Sterling Commerce solution Gentran:Server for Windows NT, to support the collation and integration of the various IT standards and formats. "This process optimisation reduces our up-front transaction costs in order and delivery fulfilment," Späth said. Branches in four European markets—Austria, the Netherlands, UK, and Germany—now use the data conversion services made available through Gentran:Server. The files are transmitted via the X400 protocol from the individual European branches or direct from customers using Gentran. These files are then converted to the in-house standard of various order-entry systems, and are then sent back to the individual branches.

Key benefits

Early results of the project have already demonstrated the significant advantages that can be derived by using an effective digital communications infrastructure. "Previously it took about three minutes

to enter an order onto the system. Using EDI this has been reduced to only one minute," explained Späth. This provides Honeywell with the essential business advantage of faster processes.

Späth adds, "Since automating our order and dispatch processes, we now have significantly lower dispatch costs as the order confirmations are no longer sent by post. With a total of around 100,000 order confirmations a year in German distribution alone, the cost savings this has generated have had an enormous impact on our businesses bottom line."

Späth further stated that another advantage of the new electronic transactions system is that the overall processes have become faster. "Our EDI business/trading partners can be assured that orders received through EDI are actioned the same day and the required items are sent immediately to the downstream production and distribution systems," he said, "In the age of the global economy, these time savings will provide a decisive competitive advantage for Honeywell among our partner communities."

Honeywell selected Sterling Commerce because of its market reputation as a leading integration specialist. "Above all, Sterling Commerce international profile and its industry experience were exactly what we required for our multi-national enterprises," said Späth.

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.

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