

Sterling Commerce helps International Rectifier meet competitors head-on through e-business



International IOR Rectifier

Location

El Segundo, California

Industry

High Tech

Business challenge

Faced with the challenge of supporting a diverse global customer base, International Rectifier needed an enterprise e-business platform, to provide customers and selling partners with 24/7 access to detailed product information, pricing and availability

Solution

Sterling Multi-Channel Selling™

Benefits

- Increased margins by lowering order costs and errors
- Generated seven times more leads with Sterling Commerce than all other online tools combined
- Reduced samples order and fulfillment from seven days to one day
- Follow-on orders for products is 25% greater than that of competitors

International Rectifier

Customer background

International Rectifier (IR) is a leading supplier of power semiconductors and systems solutions. The company delivers enabling power technology to a host of industries that include automotive, consumer, computer/peripheral, industrial, lighting, telecom, and government/aerospace. With over \$1 billion in annual revenues, International Rectifier is the oldest dedicated semiconductor manufacturer in the world. A truly global company, IR receives 60% of sales from Europe and Asia, with manufacturing operations in the United States, Mexico, the United Kingdom, Germany, and Italy, plus subsidiaries in Japan and Singapore.

Business challenge

Like many global businesses, International Rectifier has a complex sales channel that includes direct and multi-party indirect sales. They were faced with the

challenge of supporting a diverse global customer base with varied roles such as design engineers, buyers, distributors, independent agents, and more.

IR needed an enterprise e-business platform to give their customers and selling partners 24/7 access to detailed product information, pricing, and availability. The company also needed an efficient ordering process for design engineers to accurately research, select, and order product samples to meet their design needs. Although their business needs varied, International Rectifier wanted a single system to meet their direct and indirect sales needs as well as their samples process.

Then as now, International Rectifier's goal was to maximize their chances to compete for design-ins, which required an easy and efficient product samples ordering process. Any delay in delivering samples

"It's not enough to just offer the right product at the right price. Businesses stay ahead of the competition by making it easy for customers and selling partners to do business with them. Sterling Commerce has helped IR to do just that."

Jim Jiang
Executive Director,
E-Commerce Systems,
International Rectifier

to a design team risks losing that business to a competitor. Due to time-to-market pressures on OEMs, the first sample received by the team for design and testing has a clear competitive advantage.

Solution

IR conducted a rigorous evaluation of vendors in the enterprise e-business space before selecting Sterling Commerce. Consideration was given to the breadth and depth of each vendor's application suite, as well as the vendor's vision, financial viability, and technology roadmap. All were impressed with Sterling Multi-Channel Selling as a functional and technical solution. A disciplined product strategy methodology, proven implementation success record—on time and on budget—and commitment to research and development also contributed to IR choosing Sterling Commerce.

However, the unique capabilities of Sterling Multi-Channel Selling to support and enable a mix of direct and indirect order fulfillment most contributed to the selection of Sterling Commerce. Allowing customers and selling partners to perform transactions when and how they prefer makes it easier for them to do business with International Rectifier.

For sales transactions involving Sterling Multi-Channel Selling, International Rectifier targets three types of buyers: the

anonymous user who visits the Web site then purchases through a distributor, the self-registered buyers who purchase direct from International Rectifier, but select from multiple fulfillment partners, and the direct key accounts which purchase from International Rectifier directly.

Key benefits

The Sterling Multi-Channel Selling solution has reduced the order and fulfillment process to one day—a significant improvement over the standard seven day manual process. Though samples are not a direct source of revenue, they can be a significant business driver, according to Bob Roumimper, President of Caltron Components Corp., a manufacturers' rep company. Roumimper estimates that as a result of IR's quick turnaround on samples, follow-on orders generally run at about 75%, compared with less than 50% for other component makers Caltron represents.

The Sterling Commerce-powered International Rectifier system provides product information datasheets and specs, pricing, availability, order management, and post-order services based on the transaction type. A single system, Sterling Multi-Channel Selling, can support all these transactions in spite of the complexity of disparate buyer types requiring different purchasing processes.

About Sterling Commerce

Sterling Commerce, an AT&T Inc. (NYSE:T) company, helps companies optimize 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.com.

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