LANSA Case Study

DEMCO evolves with LANSA since the 80's

DEMCO Inc, based in Madison, Wisconsin USA, provides supplies, equipment and furniture for libraries and schools in North America and Europe. DEMCO uses LANSA for its core operational system and for customer and supplier facing Web sites including www.demco.com and www.gresswell.co.uk among others. Recently, DEMCO used RAMP to modernize its green-screen ERP system, avoiding the high cost and disruption an ERP replacement would entail.

Mark Anderson, Vice President of Business Development & I.S. at DEMCO, says, "Of the hundreds of technology decisions made in the '90s, I feel our best decision was LANSA, followed closely by the AS/400. For over 15 years now the LANSA tool set has served as the key platform that allows us to turn out reliable, top-quality business applications while preserving our systems investment by adapting to new technologies. LANSA, the people and the tools, have become trusted partners in our continual evolution."

Build a Solid Operational Infrastructure

In the late eighties, DEMCO decided to move the company forward from a COBOL-based Honeywell/Bull DPS7000 system to a more modern IT infrastructure. DEMCO selected a packaged ERP solution that ran on the IBM AS/400.

"We also wanted a new development environment," explains Anderson. "Our goal was to find a tool that would boost our productivity and give DEMCO a strategic advantage by creating systems that were more effective. As part of the selection process, we asked several vendors to develop the same portion of a prototype system as a benchmark. The LANSA prototype was the most functional and fast."

"We developed and implemented our own data warehouse system in LANSA. The transition from COBOL to LANSA was accomplished smoothly and we retained most of our original development team. The data warehouse is now in its fifth generation and still serving our company well."

"System modules that deal with customer interaction are critically important to us. So, we made a strategic decision to develop the customer services system ourselves with LANSA. This includes order entry, returns, fulfillment, problem resolution, contact tracking and Customer Relationship Management. The system initially integrated with OfficeVision/400 and now with DTM from Inventive Designers."

"Though continually enhanced, the same LANSA-based customer services system still serves as the heart and soul of our business system today."

"In 1998, to meet Y2K, we were faced with the need to upgrade our packaged ERP solution. Instead, we elected

"LANSA has grown with us to meet the ever more demanding needs of our business."

to purchase Infinium financials and rewrite the inventory planning, stock control, manufacturing, purchasing and other operational portions of our packaged system in LANSA. We went live with our custom-developed LANSA system within a year."

Add an Integrated Web Site

In 1996, DEMCO foresaw the impact of Internet applications, as this medium seemed especially appropriate for librarians, DEMCO's primary customers. DEMCO's first Web site, constructed and hosted by an Internet services provider, started as a static site, but acquired an online catalog, shopping cart and UPS order tracking over the next two years. The site was loosely coupled to DEMCO's business system via FTP and IBM's MQSeries.

"We view the Internet as an additional channel through which to interact with our customers," continues Anderson. "We needed much tighter integration with the core business system." "We wanted to bring Web development skills in house, to be in control of our destiny. We collaborated with a Web design firm to produce an aesthetic and functional design that better served our customers. Then we looked for the technology to build the site."

"We considered the Microsoft ASP environment; WebSphere and other JAVA based environments, as well as LANSA."

"We kept the LANSA alternative at arms length, given the

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'path of least resistance' nature of making that decision. However, in the end LANSA's short construction time,

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combined with an 80 percent saving on development services, won the day."

"Our development team partnered with LANSA Professional Services to build the new site. This was a great opportunity to absorb the skills and take advantage of some excellent experience. The site was launched on time, on budget and with more functionality than originally planned."

"We also used LANSA to build the eCommerce sites www.gresswell.co.uk, www.gresswell.ie, www.demco.nl for one of our UK subsidiary's brands. With LANSA tools and experience, we're now able to design, build and launch a site in less then 10 weeks on average. However, all sites are in a constant state of development and evolution."

Pete Williams, originally a graphic designer from DEMCO's Catalog Production department, and now DEMCO's Media services manager, says, "LANSA has proven to be very effective for our company. LANSA for the Web took our ECommerce site to a new level and was the fastest to market and most cost effective product we could find. LANSA helps us to compete very effectively."

Reap the Benefits

DEMCO found that one out of three people who visit their site end up placing an online order. Online orders represent about 30 percent of the overall volume, up from 9 percent when they originally launched the new site. DEMCO have been pursuing what ever can to make it easy for their customers and that is where the Web site has been beneficial for their business.

The DEMCO IS team with VP information systems, Mark Anderson, middle-front.

Anderson adds, "Shortly after launching the latest DEMCO site, business volume from the Web increased 200 percent."

A Growing Web Presence

"The Web provides us with differentiation to our competitors, in what is basically a commodity market," continues Swedal. It allows us to showcase our products and give a lot more information than we can put realistically into a paper catalog. The Web is much more dynamic than a paper catalog, and lets us do some special campaigns and cross selling."

"Innovative and effective marketing and e-mail campaigns are needed to drive traffic to a Web site. DEMCO's Internet initiatives are now a 50/50 partnership between Marketing and Info Services. The aesthetic and functional design of a Web site is at least as important as the construction technology. DEMCO now spends more time refining the design of sites than constructing them."

Anderson concludes, "We continue to grow our Internet business volume at 25 to 75 percent year-over-year. Our overall business has grown from $35 million in the late eighties to over $180 million in 2008, and we have also acquired several companies. LANSA has grown with us to meet the ever more demanding needs of our business."

Modernizing with RAMP (2008 Update)

After seeing RAMP at Spring COMMON 2006, the DEMCO Application Development team commenced on a modernization project and is now progressively deploying the modernized functions throughout the organization. Anderson estimates that the costs for customizing and implementing a new packaged solution are 35 times higher than for modernizing the existing system.

Anderson explains, "We were very pleased with the results, with positive benefits in the compression of navigation. In some areas the number of screens was compressed by a factor 30. Plus we could blend rich-client and browser functions seamlessly in the same framework."

"Of the last three people we brought into the application development area, two were .NET developers. They've adapted well to this modernized environment and are enthusiastic about the structure and efficiency that the LANSA development environment provides," explains Anderson.

"The way is now clear for us to fully commit to Visual LANSA development for our core business system as opposed to 5250 development. For us, RAMP was - and still is - the best way to take a big application, get it modernized and set the stage for transition into the years to come, preserving what we've got and setting the stage for where we want to go with our business systems. Building new applications with the existing base already modernized, is very beneficial."

Company and System Information

- DEMCO Inc., a privately held company established in 1905, is located in Madison, Wisconsin US. Group worldwide sales approaching US$180 million. DEMCO is a sister company to UK-based Library Furnishing Consultants, Ltd (LFC), and Don Gresswell, Ltd, which now operate under the name Demco Europe Ltd to sell the Demco Interiors, Gresswell Direct and LFC Despatch brands.
- The core system of Demco and the Web sites of Demco and Demco Europe are developed and maintained by DEMCO Inc's IS team using LANSA.
- DEMCO Inc uses a System i model 525 with multiple LPARs for development, production, business intelligence and Web serving.
- For more information visit www.demco.com and www.gresswell.co.uk.

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