

LANSA Case Study

Gates Singapore extends BPCS with LANSA Commerce Edition

Gates Corporation is a leading manufacturer of automotive and industrial belts, hoses and related products worldwide. Gates Unitta Asia Company, a joint venture between the Gates Corporation and Nitta Corporation with offices throughout Asia, used LANSA Commerce Edition for BPCS to let customers in Singapore, Thailand and Indonesia place orders and view inventory and accounting details over the Web.

David Hoe, regional IT project manager at Gates Singapore, says, "Our management was amazed by LANSA's short 18 day implementation. It took just three days to implement the standard LANSA Commerce Edition for BPCS, then 15 days to customize and change the look. With LANSA, we added a very cost effective Web extension to BPCS without system or hardware upgrades and with no interruption to the business. And LANSA is platform independent, whatever the future brings."



Wanted Disruption Free BPCS B2B

When Charles Gates, Sr. bought The Colorado Tire and Leather Company in 1911 for \$3,500, little did he know his small shop in Denver would evolve into the world's largest non-tire rubber products manufacturer. Now customers around the world rely on Gates hoses, belts and related products in an almost endless range of industries.

Gates sells its products directly to automotive and industrial original equipment manufacturers (OEMs) and through a network of 150,000 distributors and dealers worldwide, including the automotive aftermarket. Gates Singapore (officially the Gates Unitta Asia Trading Company) is currently the warehousing and distribution office for the region. Regional IT is also centered in Singapore.

"Our order procedures for the dealers and distributors were not efficient," explains Hoe.

"Customers and sales managers placed orders via telephone or fax and our customer service staff rekeyed the orders into our BPCS 4.05 system. Faxes and phone conversations are not always clear and rekeying orders is error prone. And orders could pile up on someone's desk before they were entered."

"We also had many calls from customers about pricing, availability and order status. These calls placed an additional strain on our customer service staff. We decided that a B2B Web site could address all these issues."

"Accurate Web orders and streamlined procedures helped halve delivery times."

"Changing or upgrading our BPCS system would be very disruptive for the business and very costly. So, we looked for the best way to add Web extensions to our BPCS system."

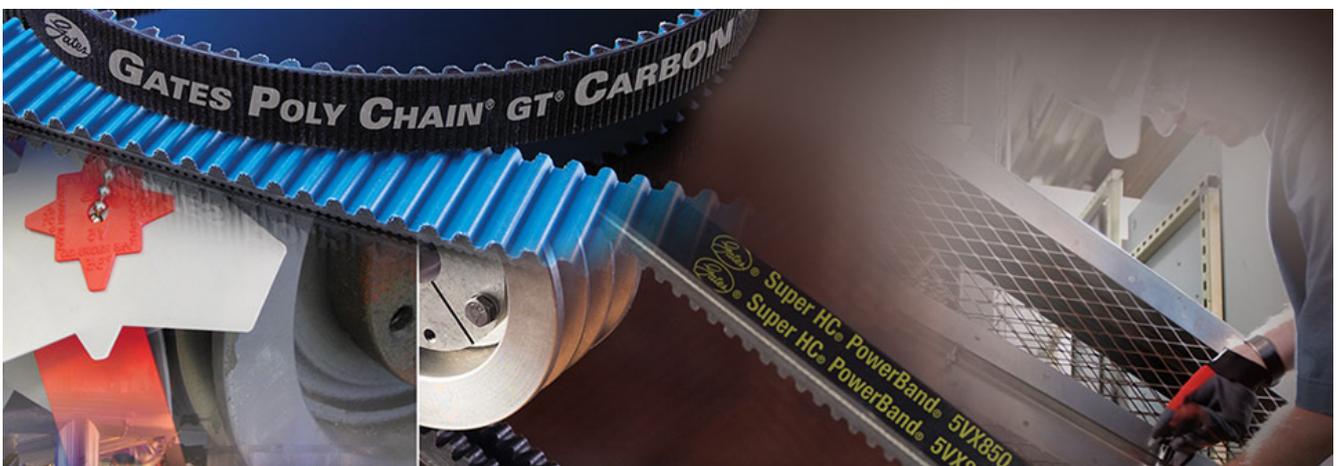
"By word of mouth we heard about LANSA, so we invited LANSA Singapore over for a presentation and product evaluation. We liked what we saw and started implementation soon after," says Hoe.

A Customized Solution in 18 days

LANSA Commerce Edition for BPCS delivered plug-and-play installation and integration with BPCS to let Gates' customers and mobile sales force place orders and access product, inventory, pricing and account status details over the Web. Customers can view promotional and "What's New" information and can self-administer user access and their own information.

The product pages include multiple product search criteria, product images, stock-on-hand information and customer specific pricing in the customer's currency. With over 10,000 items in its product catalog, Gates optimized the search by product description.

Customers can place orders and save them for future reuse, especially handy for periodic stock replenishment.



All orders can be viewed regardless of whether they were placed by phone, fax or over the Web. Customers can also view their account information.

"It took just three days to implement the standard LANSA Commerce Edition for BPCS solution," says Hoe. "We needed some customized functional changes, which took another 10 days. We also changed the look and feel of the site to our corporate Gates style, which took another five days. Altogether we were ready to roll out the fully customized Web solution within 18 working days from the commencement of the project."

"We started the project in August and rolled it out to a few pilot customers in September. However, marketing delayed the full announcement and rollout until our annual Asia Pacific distributor conference in January. So, by that time, we were more than ready and the site was very well received by our distributors," explains Hoe.

Better Accuracy & Communication

"Originally, we had only our Singaporean customers in mind. But they liked the site so much we decided to roll out the same LANSA solution to our Thai and Indonesian customers as well," says Hoe.

"Everyone is very happy with the implementation. Customers tell us they find the site is very efficient. The site adds value to our communication procedures, because it provides much more than just order entry and increases productivity and efficiency for both the customer and us."

"Our customers also like the fact that a browser-based solution means they don't have to install anything on their PC."

"I estimate that our four call center staff in Singapore each save two hours per day. And that is just for Singapore and does not include the savings in Thailand and Indonesia. At the moment we receive only about 30 percent of our orders over the Web, so we expect further savings as we get more orders electronically."

"But it is not just the time savings. It is about making it easier for our customers to do business with us. Ultimately that translates into better customer loyalty and more business."

"The efficiency and accuracy of Web orders plus streamlined warehouse procedures have helped to halve delivery times. Before the average was 10 days, now it is only five. Orders now go straight into the system for picking and packing, instead of lying on someone's desk for order entry, double checking, correction and processing."

"By shifting the responsibility for orders to the customer we have improved accuracy and reduced errors by 10 to 20

"It took just three days to implement the standard LANSA Commerce Edition for BPCS."

percent. When you rekey orders it is easy to make a mistake in the quantity, order number or other details. Errors can be very expensive to fix, especially if the goods are already invoiced and delivered."

"The distributor conference was an excellent event to announce and launch the solution. We had the full support of our managing director and backing of marketing all the way. Their support is another reason for the success of our implementation."

"The LANSA Commerce Edition for BPCS solution integrates in realtime and directly with our BPCS system."

"There is no difference between an internal user's view of the system and what our customers see. From an IT point of view, the solution is easy to manage. There is no data duplication, so we don't have any data synchronization issues."

"Equally important was the great partnership with LANSA Singapore. The LANSA consultants are professional and quick to respond. They always had a very positive attitude to any issue we have been facing."

There is just one downside to the Web solution," jokes Hoe. "I have a whole new set of users who make requests for enhancements. And since they are customers, I always have to be diplomatic."

Future Proof and Flexible

"Our management was amazed at LANSA's short 18-day implementation cycle, which included customization and BPCS integration. Everything just worked," says Hoe.

"This customer Web solution has helped add value to our sales process. We are now looking at adding value to the procurement side by extending business-to-business functionality to our suppliers. This is likely to include EDI and XML transactions with our suppliers' systems and LANSA Integrator is on the top of my evaluation list."

"Whether we stay on the iSeries and BPCS is a management decision. But business cannot stand still, just because IT directions are uncertain."

"With LANSA, we have provided a very cost effective Web extension to our existing BPCS system without system or hardware upgrades and without interruption to the business. And because LANSA is platform independent, we can address whatever new challenges the future may bring," concludes Hoe.

Company and System Information

- Gates Corporation has 44 manufacturing plants, 12,000 employees and \$3.6 billion in sales worldwide. Gates operates 27 distribution centers in 20 countries. In 1996, Gates became a wholly owned subsidiary of Tomkins plc, ending 85 years of ownership by the Gates family. At the time of the transaction, Gates was the largest non-tire rubber company in the world. For more information visit: www.gates.com
- Gates Unitta Asia is an Asia-wide joint venture between Gates and the Nitta Corporation of Osaka, Japan. Gates Singapore (officially the Gates Unitta Asia Trading Company) is currently the warehousing and distribution office for the region. Regional IT is also centered in Singapore. Thailand and India are the two major manufacturing facilities in the region.
- Gates Singapore runs BPCS 4.05 CD on an iSeries model S20. Operations in Singapore, Thailand, Indonesia and India use the same BPCS version and share a single iSeries, which is currently located in Singapore. For Web serving, Gates uses an iSeries server for development and testing and a Windows server for production.

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