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Multiyork turns to HP,
Microsoft® and SAP to
embrace change and
enable business growth

MULTIYORK
MASTER FURNITURE MAKERS



Solutions for the adaptive enterprise.





In the furniture industry, giving customers a multitude of choices creates a competitive advantage. UK-based furniture retailer and manufacturer Multiyork understands this and specializes in providing personalized service to customers and offering a wide range of designs, from cabinets to sofas and other furniture items. The company has 60 retail locations as well as made-to-order furniture manufacturing operations, and customers can choose from dozens of designs and 11,000 fabrics.

But choice can be a challenge if you are part of the IT staff that must adapt to the changing needs of customers and keep up with shifting business requirements. In 2002, the company realized that its existing IT infrastructure lacked the flexibility, agility, scalability, and connectivity to support constant change in both retail and manufacturing operations, as well as planned growth in the future. Multiyork needed an adaptable, standardized foundation for IT that would enable the company to become more responsive to business and customer requirements.

A legacy of manual processes

At headquarters and manufacturing locations, the company had a UNIX®-based IBM legacy system and a proprietary application designed specifically for the furniture industry. Employees used terminal emulators to access the system. They manually faxed new sales orders to the head office, where a staff of 10 entered them into the legacy system. Retail stores forwarded customer inquiries to the head office, where the employees accessed the system for up-to-date information on the customer's order.

At retail locations, sales personnel took customer orders manually and then faxed them to the head office. Because the process was completed on paper, there was nothing to prevent them from entering an invalid combination of product features. Once the head office received invalid orders, phone calls had to be made to the retail location and, subsequently, to the customer to determine a valid combination of satisfactory features.

“Imagine 11,000 fabrics, seven cushion styles, and two frame and spring styles. Then imagine paper orders and fax machines multiplied by 60 stores, and you can start to see where the issues arise,” explains Robin Clark, group IT director for Wade Furniture Group Limited (holding company for Multiyork).

Taking matters into their own hands

Because of the inefficiencies inherent in the legacy system and its inability to adapt to changing customer and business requirements, different groups within the company began developing their own systems for automating tasks. Disparate systems flourished, adding to IT complexity and costs. To add to the challenge, Multiyork became part of the Wade Furniture Group in 1996, which already had its own IT systems. The result was numerous disconnected “silo” systems across the company.

Due to the lack of a single, centralized, and flexible foundation, employees had to manually re-enter data into different systems, often leading to inaccurate data duplication. Prompt decision-making was difficult because there was no way to obtain a single view of orders and other information across the business.

“Using disconnected legacy systems, we spent a lot of time trying to extract useful information to advance and grow the business. On the other hand, the integrated HP, SAP, and Microsoft platform allows us to adapt in real-time based on solid business and customer information.”

—Robin Clark, Group IT Director, Wade Furniture Group (holding company for Multiyork)



Support for future growth

Multiyork's ultimate goal is to grow from 60 stores to 100 and beyond, but the legacy system was incapable of supporting this strategy. It could not handle an increasing number of customer orders, nor could it provide the information needed to implement a successful growth strategy.

Multiyork needed an IT foundation that could provide enhanced connectivity, performance improvements, and scalability for future growth. Most of all, the company needed a standardized foundation that would enable it to turn change into a competitive advantage and replace its proprietary systems. The winning combination of the HP Integrity rx5670 server based on the Intel® Itanium® 2 processor, Microsoft Windows® Server 2003, and a customized SAP platform provided the solution. “The standards-based combination of Microsoft and the HP Integrity rx5670 server provided the best price/performance of any competing solutions available,” says Clark.

Intelligence Business Solutions (UK), a subsidiary of Intelligence AG, configured the SAP solution, which was implemented by the Multiyork SAP project team. It is live at headquarters and manufacturing locations and is being rolled out to retail stores throughout 2004.

The company began by deploying SAP Financials, Human Resources and Sales and Distribution modules. It then followed with Materials Management and Production Planning modules. Running on a four-way Itanium 2-based HP server with an HP 2300 direct-attached SCSI storage subsystem, the solution links front-end retail processes to the company's manufacturing, finance, delivery, and human resource functions. More than 250 users tap the system on a regular basis, and benchmarks indicate that it can support up to 470 Windows 2000-based clients, giving Multiyork plenty of capacity for growth.

With the new foundation in place, business and IT at Multiyork are synchronized to capitalize on change and opportunity. The centralized SAP system has replaced silo systems to reduce complexity, improve decision-making, and make sure that everyone is collaborating as efficiently as possible.

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Customers benefit because taking orders is less error-prone and filling them is faster. Employees that previously spent their time on manual, repetitive tasks can think and act strategically. Best of all, the company can act on its growth strategy with confidence and embrace and adapt to change to become even more competitive.

“Microsoft, HP, SAP, and the Intel Itanium 2 processor power is a winning combination—the latest leading-edge ERP platform at the best price/performance ratio currently available,” says Peter Mallinson, chief executive of Multiyork. “This is exactly what we required to integrate and improve our business practices and adapt quickly to change.”

Multiyork

HP success story

Customer at a glance

Industry sector: Retail and manufacturing
Name: Multiyork
URL: www.multiyork.co.uk

Technology highlights

- Move from IBM/UNIX server to more scalable, high-performance HP Integrity rx5670 server
- Custom SAP solution
- Windows Server 2003 64-bit Enterprise Edition

Challenge

- Support planned company growth
- Respond to customers faster and more efficiently
- Eliminate silos of information
- Increase return on investment
- Free up company resources for innovation and strategic activities

Solution

- Itanium 2-based HP Integrity rx5670 server
- HP 2300 direct-attached SCSI storage subsystem
- Windows Server 2003 Enterprise Edition (64-bit)
- Microsoft SQL Server 2000 (64-bit)
- SAP (64-bit)

Results

- Solution offers improved performance and excellent returns
- Business and IT are synchronized to capitalize on change and opportunity
- Centralized system reduces complexity, improves decision-making, and promotes collaboration
- Customer service is improved
- Staff spends less time on manual, repetitive tasks

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