



IBM Customer Reference

REWE Informations Systeme GmbH

Synopsis:

IBM Business Consulting Services helps a large European retailer consolidate three heterogeneous, standalone intranet portals for employees, suppliers and retailers into a common IBM On Demand Workplace - an IBM WebSphere-based environment running with IBM DB2 software on an IBM eServer pSeries server to reduce costs, improve responsiveness and increase process flexibility

Location:

Cologne, Germany

Industry:

Retail, Travel & Transportation

Focus Area:

Business Continuance, Enterprise Spend Management, Learning and Training, on demand Business Transformation, On Demand Business

URL:

<http://www.rewe.de/indexEN.htm>

Customer Background:

Headquartered in Cologne, Germany, REWE is the second-largest food retailer in Europe, offering a wide variety of traditional and specialty food products. The company's information technology (IT) arm - REWE Informations Systeme GmbH (RIS) - manages the company's infrastructure and supply chain management (SCM) systems.

The parent company, REWE Handelsgruppe (REWE Commercial Group), comprises a number of independent merchants. Besides food retailing, the company has interests in many other industries, including travel. The REWE Commercial Group, which was founded in 1927 in Cologne, includes approximately 11,000 stores throughout Europe, with more than 187,000 employees and annual sales of approximately US\$47 billion. In recent years, many European retailers have consolidated or scaled back operations. However, REWE has successfully avoided this trend and continues to focus on growth in Germany and across Europe.

Business Need:

REWE had three separate intranet portals through which it communicated with employees, retailers and suppliers. The company recognized the importance of providing the users of each portal with quick and easy access to business-critical information, yet the disconnectedness of the portals hindered this. The portals could not facilitate collaboration among employees, retailers and suppliers. Data that was gathered on one portal had to be reentered into databases on another portal before it could be accessed and leveraged. Employees couldn't easily access job support tools, such as training materials. And retailers couldn't quickly and easily find the information they needed to maintain smooth store operations, such as the status of shipments. It was also difficult to efficiently distribute information to each group because the company often had to post the same information across three systems, and system availability varied from portal to portal. Additionally, since information was often outdated or difficult to find, individuals often telephoned company call centers with requests for information.

This added additional expenses while inhibiting the ability of call center personnel to focus on their critical support responsibilities.

The portal environments were evolving at different rates and becoming more and more divergent because the information technology (IT) teams responsible for each portal did not follow a common architecture. Each of the portals was designed differently, starting with the look-and-feel of the user interfaces and extending all the way down to the core software that supported the business processes and the hardware foundation. The heterogeneity and disconnectedness of the systems led to inefficient processes and high maintenance costs.

What's more, the lack of continuity and flexibility in the portal-related IT and business processes was driving up costs, and the company could not quickly adapt processes to support changing business needs.

REWE recognized that employee productivity and a strong value net are key to staying competitive in tight markets. It needed a way to streamline processes, improve enterprisewide collaboration and provide its constituents with timely access to information. To improve responsiveness to suppliers, employees and retailers, and reduce administrative overhead for managing its portals, REWE sought to consolidate its three portal infrastructures into a single environment - or what IBM characterizes as an On Demand Workplace.

Solution:

With the help of IBM Business Consulting Services, RIS developed a unified, industry-standards-based On Demand Workplace environment for employees, retailers and suppliers. The flexible solution, which is based on IBM portal and application server technology, enables REWE to provide realtime access to company information.

The portal greets suppliers with a consistent look-and-feel, and information collected on one portal can now be shared across all three. Employees can more easily access job-related information and training tools, in addition to human resources information. And retailers now have realtime, online access to data that is critical to operations, such as shipment information. Overall, the better access to information has also helped reduce reliance on company call centers for information and thus costs. And although the three groups now share the same portal environment, it does not mean that REWE had to compromise the security of its data, because the company can restrict access to sensitive information through password-protected user profiles. The solution not only helps REWE streamline IT processes by eliminating redundant administrative tasks and technology, it also helps the company disseminate the right information to the right people at the right time. The solution supports approximately 7,000 users.

RIS originally built one of REWE's portals, the supplier portal, using an older version of IBM WebSphere Application Server, and as a result of the success of that project, it decided to standardize all three portals on IBM WebSphere Portal technology and WebSphere Application Server - Enterprise Edition Version 5.0.2. Business Consulting Services evaluated the company's previous environments and business processes and provided a strategy for transforming processes and increasing efficiency by integrating the portal solutions into a single security-rich infrastructure. REWE and IBM built the new portal using WebSphere Portal Enable Version 5.0.1, which provides RIS with a security-rich and customizable tool for delivering information and content to users. The highly integrated environment relies heavily on Java 2 Enterprise Edition (J2EE) applications, which were developed using IBM WebSphere Studio Application Developer Integration Edition Version 5.0.1.

REWE's intranet content management system is based on IBM Lotus Workplace Web Content Management, which runs on IBM WebSphere Application Server Standard Edition on a dedicated logical partition (LPAR) on an IBM eServer pSeries 670 server. The solution employs an IBM DB2 Universal Database Enterprise Server Edition Version 8.1 information management software to house WebSphere Portal server and Lightweight Directory Access Protocol (LDAP) databases. The portal server database holds the portal configurations and sessions and the LDAP database

holds user information and access privileges. DB2 also runs on a dedicated LPAR on the p670 server. RIS leverages IBM WebSphere Studio Version 5.0.1 and IBM WebSphere Studio Site Developer Version 5.0.1 to create "normal" portlets, such as content portlets. It uses IBM WebSphere Studio Application Developer Integrated Edition Version 5.0.1 to create portlets that access SAP.

The pSeries server is RIS's platform of choice, and the company was already using dozens of IBM RS/6000 servers prior to purchasing its IBM AIX Version 5.2-powered p670 server with seven central processing units (CPUs). While the company did evaluate a comparable Linux-on-Intel solution, it based its decision to choose pSeries on a study performed by the IBM Hursley lab, which demonstrated that the pSeries running IBM AIX could handle more WebSphere Portal Server requests than a similarly sized Intel/Linux solution. It also liked the easy-to-maintain LPARs as well as the workload and configuration management features on the p670 server. RIS runs four different environments in four separate LPARs on its p670 server, including the following:

- Development (two CPUs)
- Integration (two CPUs)
- Staging (one CPU)
- Production (two CPUs, with more planned for the future).

RIS was a member of the Early Enablement Program and Early Support Program for WebSphere Portal Server, so it received extra product support and education from IBM. This included weekly support calls with the European IBM Product Introduction Center, which is located in Hursley in the U.K. IBM personnel also visited RIS's software architect weekly to discuss and resolve technical challenges as they arose. Business Consulting Services provides ongoing security-related services as well as development support for portlets and content management.

Benefits of the Solution:

While the quantifiable benefits of REWE's new On Demand Workplace solution are confidential, the company acknowledges that the solution has helped to reduce costs and streamline business processes on a number of levels. From a solution management perspective, RIS no longer requires separate support teams for each portal environment, and the company can leverage existing skills to manage the solution. Additionally, now that REWE can provide employees, suppliers and retailers with access to realtime information, requests for information from the call center have been reduced, resulting in significant savings. Finally, the company can more easily change processes according to market or business drivers, enabling it to better compete and continue to drive growth in the challenging European markets.

From a technical perspective, the industry-standards-based WebSphere portal provides REWE with a reliable, security-rich and future-ready solution that will be viable for years to come. And not only does the p670 server provide industry-leading power, availability and features, such as LPARs, it is also cost-efficient. A study by the IBM Hursley lab at the customer site demonstrated that the total cost of ownership of the p670 was actually less than a similar Intel-based Linux solution.