IBM

Unipart builds a new business model with SAP and IBM.

Overview

■ **Challenge**

   Unipart needed to radically change its IT infrastructure model, to enable business growth at low cost and drive higher profitability.
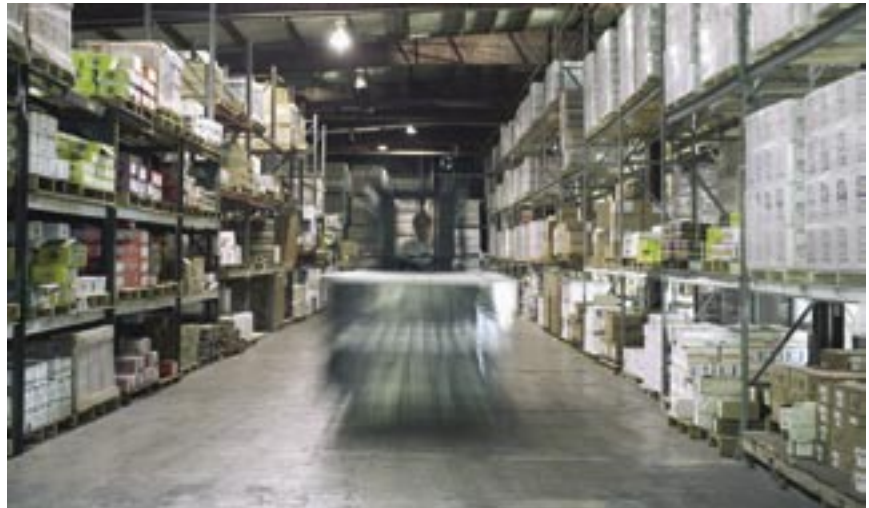
■ **Why Become an On Demand Business?**

   Unipart wanted to make a strategic change and look for an IT infrastructure that would increase its business agility, reduce total cost of ownership and simplify administration.

■ **Solution**

   Working with IBM, Computacenter and Steria, Unipart built a new system for its sector-leading end-to-end supply chain service based on mySAP Business Suite and IBM technologies, designed to rapidly scale as new contracts are won.

■ **Key Benefits**

   Unipart can now take the next steps in its journey of innovating the supply chain for its clients, and respond more rapidly and effectively to new clients' demands for rapid new business workloads.

Unipart Logistics, part of the Unipart Group, provides logistics services to high-profile clients across a variety of business sectors. Services vary depending on client needs, from managing warehouse operations through to end-to-end supply chain management.

The Unipart Logistics System (ULS) is a class-leading end-to-end supply chain system comprising people, process and technology. Unipart (www.unipartlogistics.com) uses ULS to deliver supply chain services for a number of major clients, such as Jaguar Cars, London Taxis, BskyB, and Boots. For example, Unipart Logistics delivers a global 24-hour after-market parts service for Jaguar cars.

» **On Demand Business defined**
An enterprise whose business processes—integrated end-to-end across the company and with key partners, suppliers and customers—can respond with speed to any customer demand, market opportunity or external threat.

On Demand Business Benefits

• Reduced inventory processing from three hours to less than 20 minutes

• Reduced batch processing for fulfillment from one hour to ten minutes

• Reduced complexity and cost

" We selected the IBM @server p5 570 and IBM @server BladeCenter solution because it gives us the flexibility to match IT capacity with customer demands very precisely."

– Gerry Amor, SAP Technical Manager, Unipart Logistics

Myron Hrycyk, Unipart Automotive Logistics IT Director, says, "The company needed to take the next step in its strategic development of the system and radically change the IT infrastructure to respond to the increasing business demands of existing and new clients in the areas of rapid/agile deployment, speed of operation, and lower cost of ownership."

For its automotive customers, Unipart runs SAP software to manage sales, inventory, distribution and more. Before the transition, the Unipart Logistics systems were hosted on HP servers, which were nearing the limit of their capacity. While it was possible to insert more powerful processors in each server, Unipart wanted to make a strategic change and look for an IT infrastructure that would increase its business agility, reduce total cost of ownership and simplify administration.

Gerry Amor, SAP Technical Manager at Unipart, comments: "With distribution centers opening in Spain and Japan, we wanted to remove any potential technical constraint on our expansion plans. In addition, the transformation of our underlying technology laid the foundation for our strategic implementation of the mySAP business system – upgrading the existing SAP R3 solution."

Long-term solutions for scalable growth
Working with IBM Business Partner Computacenter, Unipart reviewed possible solutions from Dell, IBM and HP.

"Virtualization and scalability were key decision points in favor of IBM," reports Amor. "We selected the IBM @server® p5™ 570 and IBM @server BladeCenter® solution because it gives us the flexibility to match IT capacity with customer demands very precisely. In the past, a new customer contract would require detailed analysis of likely workload and configuration – not to mention the lead time of several weeks for delivery of the physical HP system. With the IBM p5 570 and BladeCenter solution, we are ready in days."

When Unipart wins a new contract, rather than size, buy, configure and implement a new physical server and SAP software, the IBM solution allows Unipart to add a virtual SAP solution to the system. To manage the workload, the IBM technology allocates resources to each SAP solution area or batch process as the need arises, automatically utilizing the processor power in the most effective manner.

Greater performance for business benefits

Amor connects system performance directly to better customer service: "We have seen some stunning gains in productivity. The Reschedule program, which reconciles the true inventory position against sales orders, formerly took almost three hours, and now takes less than 20 minutes. The new system enables us to run Reschedule more frequently, which allows us to offer sector-leading customer order fulfillment. This allows us to increase our stock turn and satisfy, first time, an even higher percentage of customer orders."

Meeting promises with p5 systems

Unipart offers guaranteed 24-hour delivery of in-stock components, worldwide. To meet this 24-hour deadline, Unipart runs a batch process to generate the picking tickets for the warehouse staff to select the products. The IBM technology has reduced the time to produce these tickets from one hour to ten minutes. The business effect of this is to create extra time for the operation to meet its clients' SLAs for delivery.

Defined strategic growth path

The Oracle database and selected batch processes run on the p5 570 servers, and mySAP Business Suite solutions run on the IBM @server BladeCenter servers. Unipart has implemented two IBM @server p5 570 servers, each with eight processors – of which six are activated per server.

Adrian Wiltshire, in the Technical Architecture Team, comments, "If the system alerts us to workload issues, additional processors can be activated in the p5 570 servers, and additional blade servers added to the BladeCenter in moments. The extra processors are part of the On/Off Capacity on Demand feature, plus we can grow to a total of 16 processors in each server if necessary."

Prepared for disaster, ready for success

Resilience is provided by IBM High Availability Cluster Multi-Processing (IBM HACMP™) technology. Should the production server fail, the second server takes on the workload within a few seconds. Data storage is provided by an EMC storage server, which has the capacity for up to 20TB of data. The Unipart Logistics system supports over 500 direct SAP users. A further 2,500 users, motor dealers and suppliers access the system using Unipart's internally developed high-specification suite of front-end systems.

Key Components

Software

- IBM Tivoli® Storage Manager
- IBM WebSphere® Application Server
- mySAP Business Suite
- Oracle

Hardware

- IBM @server p5 570 servers
- IBM @server BladeCenter HS20 blade servers
- IBM TotalStorage 3594 Automated Tape Library
- Windows® 2000 server

Business Partners

- Computacenter
- Steria

These Web-based systems are delivered using IBM WebSphere Application Server. Data backup is provided by an IBM TotalStorage 3594 Automated Tape Library and handled by Tivoli Storage Manager.

Seven languages, shared information

"Unipart delivers a 24/7 operation," says Amor, "and the mySAP Business Suite solution supports seven European languages and Japanese."

The company has already taken advantage of the new System p5 power and flexibility with the implementation of a new distribution center in Spain. Deploying the system in Spain would normally have meant planning new physical server purchases, configuration, test and implementation. "With the new platform, we were able to configure the system and handle the additional workload at no incremental IT cost," says Amor.

Reducing complexity and cost

Other non-SAP applications on the remaining non-IBM servers are gradually being migrated to the secondary p5 570 server. New partitions are created on the server that have the advantage of IBM's dynamic shared-processor partitioning. When applications require additional processing power, this advanced technology automatically and without disruption allows Unipart to allocate additional processor capacity according to pre-set rules.

"Unipart Logistics is able to consolidate physical servers that were scattered throughout the organization into virtual servers on the single IBM p5 system. This reduces complexity and cost, and makes it easier for us to monitor and achieve our service-level agreements to the business," says Amor.

For more information

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