IBM

Lehigh Valley's online sales pick up speed with B-to-B e-commerce.

For Lehigh Valley Safety Supply Co., Inc.— the $6.5 million plus independent supplier for the Lehigh Safety Shoe division of Endicott-Johnson Corporation—e-business opportunity has sprung up as fast as the Internet itself. The company's online storefront and catalog is helping it make

rapid headway in overseas markets. Better still, the comprehensive e-commerce solution Lehigh Valley has deployed gives the company a real competitive advantage in extending its business-to-business (B-to-B) trade.

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—Doug Pelletier, President, Trifecta Technologies

With a staff of 22, Lehigh Valley serves Eastern Pennsylvania, New Jersey, parts of New York and the Delmarva (Delaware-Maryland-Virginia) peninsula, supplying specialized footwear for the workplace, such as the steel-toed shoes often required by the Occupational Safety and Health Administration for industrial workers. The company's Internet storefront, based on IBM e-business technologies, has sparked growing interest and orders from customers worldwide—allowing the distributor to reach them in ways it had never been able to before. Already, requests and orders have come in from countries as far as Indonesia, Malaysia, the Philippines and Saudi Arabia.

Application	Online storefront for safety shoes
Business Benefits	Expected 300% growth in online sales; 60% savings over traditional direct supplies to customers; extended market reach; increased B-to-B sales
Software	IBM Net.Commerce IBM DB2® Universal Database™ for AIX® IBM eNetwork™ Firewall
Hardware	IBM RS/6000®
Business Partner	Trifecta Technologies

Lehigh Valley's online store is making it convenient for corporate customers to buy safety shoes over the Internet.

an e-business solution ▶

It's about business, not just technology.

Sales at *www.safetyshoes.com* have doubled since April this year. Says Lehigh Valley Controller Jim Codrea, "We expect Internet sales—both business-to-consumer and business-to-business—to grow dramatically. By year end, online sales will account for 8 percent of Lehigh Valley's total sales—up 300 percent."

What's more, online orders are proving to be a great deal more cost-effective. In its projections for this fiscal year, Lehigh Valley estimates that processing costs for Internet orders will range between $4 and $5 compared with traditional direct supplies to client locations, which cost about $12 to process—a saving of 60 percent. As the number of online orders increases, this saving will add significantly to the bottom line as well.

Developing new business

A 20-year veteran of the safety shoe business, Codrea is well-versed in B-to-B selling. But, whereas he earlier delivered his sales pitch to corporate purchasing and safety managers, now Codrea must also cater to the needs of individual employees, who have a bigger say in what safety shoes their companies buy. And what better way to reach this new decision-maker than the Internet.

So, Lehigh Valley teamed up with Trifecta Technologies, an IBM Business Partner and BESTeam® member, to create an online catalog and Internet shopping site that employees can access conveniently. Using IBM Net.Commerce START and IBM eNetwork Firewall software, Trifecta Technologies delivered a full-fledged electronic commerce solution to Lehigh Valley. "By making it easier for existing corporate clients to buy online, we're increasing the volume of orders that comes our way. A single new business relationship developed through this channel could result in our selling several thousand more pairs of shoes per year," remarks Codrea.

Individual employees have a bigger say in what safety shoes their companies buy— thanks to e-commerce.

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—Russ Kopy, Vice President, Trifecta Technologies

Time-savers for corporate buyers

Lehigh Valley initially selected 50 of its most popular styles for the Internet catalog. Today, the entire product line is available online. Web shoppers can search for specific styles, colors, sizes or other attributes and place their selections in an electronic shopping cart provided by Net.Commerce. Corporate customers can see a customized view of the catalog, so they don't waste time browsing through all 275 styles. For example, a healthcare client only needs to browse through a selection of styles for the healthcare industry.

A very useful feature of the Internet storefront is its support for procurement cards. Companies can register with Lehigh Valley and create purchase orders online. Customer credit limits and purchase orders can be stored in IBM DB2 Universal Database, so Lehigh Valley can provide instant credit approval. In addition, the application records all the transactions and purchases for key reports developed by Lehigh Valley's financial officers.

Net.Commerce—a cut above

As Lehigh Valley's systems integrator for more than ten years, Trifecta initially developed a home-grown e-commerce solution. But, with the introduction of Net.Commerce, Trifecta quickly embraced that solution. "Net.Commerce is a richer and more robust application that goes beyond anything we could have developed on our own," says Trifecta President Doug Pelletier. For example, with Net.Commerce Trifecta easily provided features such as varying state sales tax rates, multiple pricing structures and contract pricing. With its support for industry-standard, 128-bit Secure Sockets Layer (SSL) encryption, Net.Commerce also helps maintain the security of credit information transmitted online.

Net.Commerce works with relational databases and comes packaged with IBM DB2 Universal Database. ODBC interfaces built into Net.Commerce enable it to work with any ODBC-compliant database. But, according to Pelletier, "A major cost advantage with Net.Commerce is getting a full-featured version of DB2—one of the most robust relational databases on the market—as part of the product." Adds Russ Kopy, vice president, Trifecta Technologies, "Successful e-commerce systems are database driven. We rely on the unfailing reliability and scalable architecture of DB2 Universal Database to satisfy the demanding performance requirements of Fortune 100 companies and Internet start-ups alike."

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Lehigh Valley has a reliable and scalable e-business solution to satisfy the growing needs of Fortune 100 companies.

Another benefit of Net.Commerce, Pelletier says, is its rich administration functionality, which makes site management easy. Merchants can manage their own Internet storefronts without any knowledge of HTML or CGI scripting. The Net.Commerce Store Manager provides a graphical interface that makes it easy for merchants to change prices, update product descriptions and photographs and more. The system also allows corporate buyers to create their own passwords and enter their company information. Name and address changes as well as order administration are all automated. An additional order tracking facility gives customers more control over the ordering process.

In time, Lehigh Valley will take advantage of the customer profiling capability provided by Net.Commerce to analyze the data it collects about its customers. Then, it will apply data mining tools to find out more about its customers and their buying habits.

Trifecta is currently hosting Lehigh Valley's online store, which runs on a dedicated IBM RS/6000 43P server. Another RS/6000 server hosts the eNetwork Firewall software, which helps control access to business-sensitive information, and is connected to the Net.Commerce server by a TCP/IP network.

The mark of a leader

According to Pelletier, Net.Commerce provides a distinct marketing advantage to Trifecta as an e-commerce solutions provider. "Net.Commerce is a strategic product for us," he says. "IBM is doing a great job in promoting its products, and we welcome the leads they turn over to certified business partners," Pelletier says. "It gives us one more arrow in our quiver." For instance, by participating in IBM's Internet Specialty Certification Program, Trifecta learns of additional business opportunities.

Both Trifecta and Lehigh Valley also proudly display the IBM e-business Mark on their Web sites. Says Kopy, "Two years ago people may have questioned the level of security on our Web sites. Today, with the IBM e-business Mark, we're rarely asked that question. Customers see IBM as a leader in the Internet arena and respond very positively to the e-business Mark."

For more information, please contact your IBM marketing representative or IBM Business Partner.

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For more information about Lehigh Valley Safety Supply Co., Inc., visit:
www.safetyshoes.com

For more information about Trifecta Technologies, visit:
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G325-0755-01