

LANSA Case Study

Reliability and innovation for Baustoff Union

Many LANSA customers and partners have solutions in place that keep on working and evolving over the years to stay in tune with the company's business needs and opportunities. Below is one of those success stories, by LANSA's German business partner S.M. Hartmann (SMH), illustrating that it has been smooth sailing on the IT front for its customer, Baustoff Union, for over 15 years.

Baustoff Union (BU) started using the SMH ERP solution in 1997. Initially the solution was RPG-based, but over the years the original programs have been extended and progressively replaced using LANSA's development and integration tools. The ERP system now has a modern user interface, integration with TomTom WEBFLEET, dashboard overviews with MS Excel integration and a choice of EDI and other communication formats. Mobile apps, created with LANSA's LongRange, allow BU's management to access key metrics from their iPads and iPhones, while customer representatives in the field have mobile access to relevant customer information.

The SMH solution supports BU's exceptional growth and helps to achieve dramatic efficiencies, such as guaranteed delivery of stock orders within three hours of a customer placing an order and a stock turnover increase by a factor of six.

Exceptional Growth

Baustoff Union is a leading provider of building materials, construction services and equipment rental services in Bavaria, the largest state of Germany. BU supports both professional builders and private customers with quality products and consultancy.

Baustoff Union Holding AG & Co was recently honoured as one of "Bavaria's Best 50" mid-sized companies (ranking 4 out of 50), because of its exceptional growth.

Otto Förtsch, Managing Director of BU, acknowledges the award is a great success for a family owned construction company. He explains, "We have succeeded to establish ourselves as a recognizable brand, because we are strongly customer-oriented and committed to very high quality standards. We maintain high quality through continuous training of our staff and by consistently implementing ideas for improvement. In terms of technical equipment, we are always innovative and guided by the latest standards."

As an example of innovation and customer focus, Förtsch mentions that BU equipped its trucks with specially developed cranes that can rotate 360 degrees and extend to



Otto Förtsch, Managing Director of Baustoff Union (left) and Siegfried M. Hartmann, Managing Director of S.M. Hartmann GmbH.



SMHsoftware

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a height of 28 meters. The full rotation and generous height make it possible for most construction sites to do the job with one crane instead of two, saving customers time and money.

In its own IT landscape, BU demands the same criteria it provides to its customers: quality, innovation, value and cost optimization. These criteria led BU, in 1997, to select IBM i (then called AS/400) as its computing platform, due to its exceptional reliability, security and performance. In the same year the SMH ERP was selected for its extensive functionality, ease of use and the availability of local support.

Snapshot

Customer: Baustoff Union is a leading provider of building materials, construction services and equipment rental services in Germany.
<http://baustoffunion.de/>

Challenge: The need to improve customer service, and innovate, while avoiding the risk of disruption and errors an ERP overhaul may cause.

Solution: The ERP solution from LANSA partner SMH provided a low risk approach to progressively modernize, add and replace functionality, such as Mobile access, Integration with TomTom WEBFLEET, EDI/XML/PDF capabilities, and more.

Key Benefits: Better customer service, savings and exceptional growth.

Product Used: Visual LANSA, LANSA Composer, LANSA Integrator, LongRange.

Faultless Functioning

Both the IBM i platform and SMH ERP solution have evolved over the years and today they still provide a modern IT environment that fully supports BU's growth and innovation. Förtsch says "The choice that we made over 15 years ago still proves to be the correct one today, even though market conditions and technologies have completely changed."

The SMH ERP solution originally consisted of RPG code, which has been extended and progressively replaced with LANSAs-developed functionality, providing a smooth and low risk modernization path for SMH customers.

"The faultless functioning of the SMH ERP system is of fundamental importance to our business success and so is our partnership with SMH. SMH supports us in all phases of development and maintenance and has always been able to very quickly implement our requirements," continues Förtsch. "The reliability of our ERP system is largely due to the knowledge and professionalism of SMH."

Siegfried Hartmann, Managing Director, SMH, explains how his team keeps customers happy and his company growing. "Since partnering with LANSAs in 2006, we have all the tools we need to create and maintain contemporary software solutions and to modernize and enhance existing applications. Because LANSAs's tools are cross-platform, we can use the same skills for IBM i, Windows, Web and Mobile development, keeping our team lean."

TomTom WEBFLEET

"We have used the LANSAs tools very successfully for numerous projects," continues Hartmann, illustrating his point with a high ROI project example where LANSAs Integrator developed Web services were used to let BU's ERP system communicate information about routes and delivery orders with TomTom WEBFLEET. The solution allows BU's fleet controller to retrieve the current position of its trucks and selectively send a delivery job to the best positioned vehicle. "Using LANSAs Integrator it was straightforward to get TomTom's Web solution and our ERP system to communicate. SMH delivered the project on time and on budget," says Mr. Förtsch.

"The solution has contributed to an efficiency increase of over 300% over six years. Customer service has also improved as we can now guarantee delivery of stock orders within three hours of receiving an order, helping customers to avoid expensive delays in building projects."

XML and EDI Orders

BU is a shareholder of Hagebau, a home improvement and building materials chain with more than 1,400 locations, jointly owned by over 300 suppliers and retailers. Hagebau acts as a central purchasing association for its shareholders and offers warehousing facilities at several locations.

To facilitate the constant exchange of information between

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BU and Hagebau, SMH created special functions in the ERP system that automatically send outgoing orders to Hagebau in XML or EDI format. Hagebau then either fulfils the orders from its central warehouse or forwards the orders to the relevant suppliers.

BU also automated its sales invoices, giving customers a choice between EDIFACT, email PDF or customized formats.

Both solutions were realized with LANSAs Composer, a platform for integrating business activities, involving transportation, transformation and custom business processing.

LANSAs Composer is also used to process incoming transactions, such as the billing information of the individual suppliers, which it picks up directly from the Hagebau FTP server. It then compares the header and item data to the orders in the BU ERP system and automatically creates the corresponding links.

Over 80% of the purchase orders and incoming invoices are currently processed this way, reducing admin costs to a minimum. Further savings are expected when the invoices of other major suppliers can be imported.

BU's finance department evaluates all major divisions through a Windows-based dashboard, developed with Visual LANSAs. It reads information from the IBM i ERP system, with the option to export data to MS Excel for further analysis. "It provides us with absolute transparency of all key metrics and has helped to increase the stock turnover ratio in the last ten years by a factor of six," says Förtsch.

Mobile

Another highly innovative project involves mobile technology. SMH has extended its ERP system with mobile access, using LongRange, a native mobile app development tool from LANSAs. The mobile ERP extension allows BU's representatives in the field to access customer information, pricing, stock availability and orders, and using GPS, map the best route to a customer. A second app allows BU's management to use their iPads and iPhones to view key metrics and relevant company figures.

"I'm pleased that we don't have to outsource mobile development to Objective-C or Java developers. LANSAs created LongRange specifically for developers with RPG skills, plus there is a version for LANSAs developers. So, the same developers who maintain our ERP system are now involved in providing native mobile access to that ERP system," explains Hartmann.

"We are confident we have found the right partner in SMH," concludes Förtsch. "SMH is inherently innovative, always interested in improvement and further development and committed to the highest quality standards, just as we are. Our companies are a perfect match."



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