ALSO ABC, a leader in the Swiss logistics and distribution market, has developed a new, fast-growing area of business in logistics outsourcing with help from Compaq Global services, now part of HP Services. By implementing Microsoft BizTalk Server as a central element of its Enterprise Application Integration Solution, ALSO ABC will help customers, including Swisscom, Sunrise and others, to focus 100% of their resources on core business needs.

The ALSO group, based in Emmen (Luzern), is a reseller of PC and UNIX hardware (HP, IBM, SUN) and Microsoft software. The company has produced a turnover of 1,720 million Swiss francs in 2001 and has 1,400 employees. ALSO’s distribution and logistics services, part of the company’s Trading AG, generated the majority of this revenue.
In order to maintain its leadership position, the logistics and distribution enterprise follows a future-oriented growth strategy. This involves doubling the physical storage capacity to 250,000 square meters at the Emmen location. The IT-infrastructure has been modernised and extended to provide additional Internet services with the clear goal of providing improved services to customers and optimising internal and inter-company processes.

The extensive retailer network, the large variety of products, and the individual requirements of outsourcing customers placed high demands on the logistics organisation. In order to guarantee prompt shipment delivery within 24 hours, while at the same time optimise stock management, ALSO ABC developed a complex e-Logistics system to streamline integration of document flows and processes – from order entry to delivery and invoicing. Hundreds of hi-tech companies rely on the smooth operation of this system.

A logistics company cannot ignore the integration potential of the Internet on its IT systems. Standardised Internet technologies provide the basis for efficient and low-cost IT platforms, which manage the exchange of accounting information, orders, and other important documents in the supply chain.

Electronic Data Interchange (EDI) has been used for many years to exchange electronic documents between companies. The operation of the EDI system, however, was inflexible and could no longer satisfy current requirements. For these reasons ALSO decided to replace the existing EDI system with a new system based on XML (eXtensible Markup Language). ALSO was looking for a product that combined the traditional UN/EDIFACT world with the new XML world. After a two-phase evaluation process, Microsoft BizTalk Server was chosen as the winner. With this decision the company demonstrated a strong pioneering spirit, as at the time, the product was not yet available on the market.

BizTalk Server proved to be very flexible software. It was easy to learn and could be seamlessly integrated into ALSO ABC’s existing server infrastructure (Windows NT/2000). Further benefits were the unbeatable price-performance and the strong engagement on the part of Microsoft.

Compaq, now part of HP, was selected as partner for the integration. The decisive factors for this decision were Compaq’s strong consulting services group, proven project experience, EDI know-how, close partnership with Microsoft, and the fact that Compaq had already gained BizTalk experience.

The new HP, combining the skills and resources of HP Services and Compaq Global Services, is the undisputed number one in enterprise-ready Microsoft consulting, integration and support services, with 23,000 Microsoft-trained specialists, and 5,000 Microsoft certified professionals.

In order to reach its strategic goals in the area of e-Logistics, ALSO ABC created an IT architecture that accepted the various data and document sources of its supplier and customer systems. The data and document sources were then fed into BizTalk and the central ERP System OneWorld of J.D. Edwards. At the same time, data from OneWorld was
transmitted via BizTalk to supplier and customer systems.

BizTalk acts like a funnel to the ERP System. The different EDI, Internet and ERP documents run into this funnel and are translated into one common format that is understood by OneWorld.

The choice of Microsoft BizTalk, deployed on HP ProLiant servers following the Dynamic Internet Solutions Architecture (DISA) guidelines, ensures that the system infrastructure remains very flexible and highly scalable.

At the end of November 2000 ALSO won an outsourcing contract for Swisscom Mobile, which covered the processing of the physical logistics, order processing and payment collection, as well as the assembly and packaging of cards, packages and bundles. It was clear that all forces had to be combined in order to meet the very aggressive deadlines required for this comprehensive service agreement.

The basic decision to work with Compaq to build up an EAI (Enterprise Application Integration) platform based on BizTalk turned out to be a lucky stroke. The work already done could be fully exploited in the Swisscom Mobile project, ensuring a fast and smooth completion.

One of the challenges lay in connecting the Swisscom Mobile SAP system via BizTalk with OneWorld of ALSO ABC so that order documents and stock movement information could be exchanged between different systems without interruption.

At a technical level, an order is triggered as follows: an IDOC document is generated by the Swisscom SAP R/3 system and sent via SAP Business connector to the message-oriented middleware MQ-series. The document is retrieved from the MQ Series in Emmen and passed to the BizTalk server and finally loaded into the ERP system.

To prevent loss of documents and provide comprehensive tracking capabilities, BizTalk Server stores all documents in an SQL Server database.

Since the full start of production in June 2001, the BizTalk server has processed around 3000 documents daily. ALSO ABC won the innovation prize ‘Logismatik’ 2001, from the Swiss Society for Logistics, for the implementation of this complex E-Fulfilment solution for Swisscom Mobile.

“This close integration creates a real added value for all involved parties,” says Urs Weber, project leader BizTalk at ALSO ABC. “Due to the fact that manual intervention is no longer required errors are minimised and the processing costs reduced.”

The EAI project based on BizTalk was completed to full customer satisfaction to create new horizons in the area of logistic outsourcing for ALSO ABC: “Thanks to the technical competence of the new HP, we could implement within a very short time a close binding of the customers SAP system and our OneWorld ERP system, which is of strategic importance to our company,” says Urs Weber. “In the logistic outsourcing business a link-up on ERP system level is definitely a killer criteria.”

Compaq, now part of the new HP, proved to be an extremely competent and reliable partner right from the beginning: “We could build up a lot of confidence in HP in a very short time. The teamwork was so close that suggestions from HP flowed directly into the project – just as you would work with your own IT department,” says Weber.

For more information on how working with Hewlett-Packard can benefit you, please contact your local HP sales representative or reseller, or visit:
http://www.hp.com
customer at a glance:

**ALSO ABC TRADING**

**industry sector:** Logistics and distribution

**name:** ALSO ABC

**headquarters:** Emmen (Luzern), Switzerland

**telephone:** +41 (0)41 266 11 11

**number of employees:** 1,400

**Last year’s revenue (also in Euros €):**
turnover of 1,720 million CHF in 2001 (1,180 million EUR).

**URL:** www.alsoabc.ch

**Services highlights:**

- Consulting, planning and implementation of an EAI platform based on BizTalk server
- Design and development of document mapping and interfaces for EDIFACT, XML and SAP IDOC documents for BizTalk servers
- Evaluation and provision of the ProLiant server platform, based on Dynamic Internet Solutions Architecture (DISA)
- Hardware: hp ProLiant DL 380, 2 CPU 866 MHz, 640 MByte RAM

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