

Success story:

HP services' consultants help facilitate a comprehensive ERP solution for Dunn-Edwards



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– Darlene Mitchell

Director of Information Systems and Technology
Dunn-Edwards Corporation



HP Adaptive Enterprise solution overview:

Challenge

- Costly and inefficient physical inventories were being conducted to get decision-making business information
- Islands of information existed in various technologies and systems
- Current systems not tracking all pertinent product, sales, and customer information, making the company vulnerable to its competitors' moves

Solution

- Comprehensive deployment of SAP enterprise resource planning modules
- HP Services for planning and implementation consulting partner
- HP servers, storage, software and support for underlying infrastructure

Results

- Visibility into trends such as inventory reduction
- More nimbly able to gain advantage against competitive threats
- Operational cost savings managing inventory across the entire supply chain

Dunn-Edwards Corporation has been a manufacturer and supplier of premium quality architectural coatings for more than 75 years. Headquartered in Los Angeles, Dunn-Edwards has additional manufacturing facilities in Tempe, Arizona, and Albuquerque, New Mexico, and operates 73 stores throughout California, Arizona, Nevada, New Mexico, and Texas. Dunn-Edwards is known as the painting professional's choice; employee-owned since 2001, it is one of the largest independent paint company in the Southwestern United States.

Needing point-to-point inventory visibility

Because of the length of the supply chain, inventory visibility is very important to Dunn-Edwards' day-to-day operations. "The inventory control and management processes were very manual," explained Darlene Mitchell, Director of Information Systems and Technology, Dunn-Edwards. "We had islands of information rather than an integrated environment and the company was conducting quarterly physical inventories, which was a costly and inefficient way to obtain decision-making information."

To quickly understand what the pressing business needs were from an information infrastructure perspective and to start to brainstorm conceptual technological solutions to the company's business issues, Mitchell turned to HP for assistance. HP initially facilitated a two-day workshop in which the company's management – across all aspects of the organization – came together and explored the business challenges.

"We looked to HP for help because it was already our primary hardware vendor from a server perspective," Mitchell said. "We were not familiar with HP Services' consulting, but the consultants introduced themselves, listened to our needs and recommended the workshop as an optimal way for us to achieve our objectives."

She continued, "The HP Services' consultants facilitated it well and enabled us to share a great deal of information. Attendees gained an understanding of how their work impacted others and at the conclusion of the workshop there was a heightened sense of mutual appreciation among the entire team. It was a very successful event,

resulting in a prioritized list of our information needs and a timeline for the deployment of the solutions."

Top of the list were requirements for automated inventory control, management and visibility; comprehensive sales force automation; access to a business warehouse for decision support; and a company-wide customer relationship management solution.

Partnering for a comprehensive solution

Although Dunn-Edwards' legacy infrastructure had included reliance on an old release of Oracle Financials, Mitchell elected to go back to the drawing board to re-evaluate comprehensive enterprise resource planning (ERP) environments that would best fit the company's needs.

"We had three primary ERP vendors and a couple vertical market solution providers come in and perform demonstrations of their capabilities," recalled Mitchell. "We ended up selecting SAP because the SAP/HP combination was clearly the best match against our requirements. While we were selecting the ERP software we also were evaluating the consulting partners for design and implementation of the infrastructure."

The company wanted to team with a partner that was able to provide a comprehensive solution at the right price point thereby helping Dunn-Edwards maintain its success. "HP consultants learned a great deal about our business through the delivery of the workshop. Plus, in the bidding process they learned even more about our organization and in turn we learned more about them," Mitchell observed.

"They created a plan for going through the blueprint, understanding and validating our business assumptions, gathering more details, planning our deployment and implementing it. We liked their detailed proposal, so shortly after selecting SAP we chose HP Services for our consulting partner," she said.

Deploying a flexible infrastructure

Mitchell reflected, "We did make a significant investment in an HP-based infrastructure comprising of HP servers, models rp7400, rp5400 and rp2400, and an HP StorageWorks Disk Array xp512 in a storage area network connected via HP Procurve switches."

The company configured one HP rp7400 server as the dedicated database server and the remaining servers to host the SAP application modules. "We elected to deploy most of the SAP modules including comprehensive financials; materials management; inventory; purchasing; sales and distribution; manufacturing; quality; and some human resources elements," noted Mitchell.



To maintain the high-availability of the infrastructure Dunn-Edwards contracted with HP for support services and configured HP Serviceguard between the servers to provide fail-over capability. "For further protection, HP helped us define our data center needs and we elected to deploy our servers at a co-location site away from our corporate facilities. This decision mitigates some risk and provides a level of disaster recovery," said Mitchell.

The IT staff maintains operational control via HP OpenView utilizing the Network Node Manager, IT Operations and Storage Area Management modules running on a L1000 with 2x550Mhz and 2GB RAM.

Dunn-Edwards purchased more than just servers, storage and consulting; it also piloted – in six stores – HP ePCs with flat screens, and replaced 70 desktop systems with HP Vectra VL420s models. "One unique aspect about HP was that they presented a total solution to meet our needs, one which permitted us to manage the necessary infrastructure overhaul within our budget," noted Mitchell.

Transitioning from plans to reality

Dunn-Edwards worked with HP to initiate the design phase in early October, 2001 utilizing the blueprint methodology, which allowed the HP Services' consultants and Mitchell's team to quickly analyze the company's most critical business assumptions and decisions, and translate them into the SAP software. She recalled, "We had the option to look at other consulting partners at the end of the blueprint, but the HP consultants performed very well and we saw no need to change."

The transfer of SAP knowledge from HP Services' consultants to Mitchell's staff was a very important step in the implementation. "My team had to elevate itself, from its comfort zone of programming Cobol on UNIX®, into a sophisticated, integrated application and database-centric group," Mitchell explained. "In addition to some formal training sessions with SAP, I was pleased with the way HP consultants teamed with my staff to accelerate their learning."

The full SAP implementation started in January, 2002 and completed in six months. Legacy data sources varied from Microsoft Excel™ spreadsheets and old databases, to cumbersome text files. As part of the implementation services, HP consultants helped develop custom interfaces to Dunn-Edwards existing systems.

HP guidance delivers results

"With the move to SAP we increased the number of the items that we monitor, by tracking at a more granular level," Mitchell said. "Each individual product was given its own stock number rather than being grouped under a category."

Dunn-Edwards management was delighted with the ease-of-use of SAP and the immediate access to accurate transactional data for making business-critical decisions. Mitchell views SAP as the foundation software to build upon, adding more reports and leveraging it more fully over time.

"The HP Services' consultants were dedicated to helping Dunn-Edwards implement several modules in record time. They truly behaved as if they were vested Dunn-Edwards employees," reflected Mitchell. "Additionally, good to its word, HP was able to demonstrate its partnership with SAP by corroborating with and utilizing SAP consultants where necessary."

In conclusion Mitchell noted, "With our more detailed level of inventory we will be able to clearly see inventory and cost reduction opportunities. More so, with this HP/SAP solution, the company-wide visibility into detailed operational information will allow us to respond quickly and effectively to our competition."

Solution details

- HP Services' consulting for design and implementation of the infrastructure
- SAP modules: financials; materials management; inventory; purchasing; sales and distribution; and some human resources elements
- HP servers, models rp7400, rp5400 and rp2400
- HP StorageWorks Disk Array xp512 in a storage area network
- HP Services' support
- HP Procurve switches
- HP Serviceguard
- HP OpenView Network Node Manager, IT Operations and Storage Area Management
- HP ePCs with flat screens
- 70 HP Vectra VL420

At a glance

- **Company:** Dunn-Edwards
- **Headquarters:** Los Angeles, California
- **Founded:** 1925
- **URL:** www.dunnedwards.com
- **Primary business:** manufacturer of a complete range of premium paints and coatings, which are distributed through more than 70 company-owned stores

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