

Brau Union Hungária brews up more efficient business with IBM.

Overview

■ Challenge

Improve customer satisfaction; save order-processing time and reallocate employees to more productive tasks

■ Solution: Integrating Stage

B2B e-commerce Web site for beer distributors

■ Why IBM

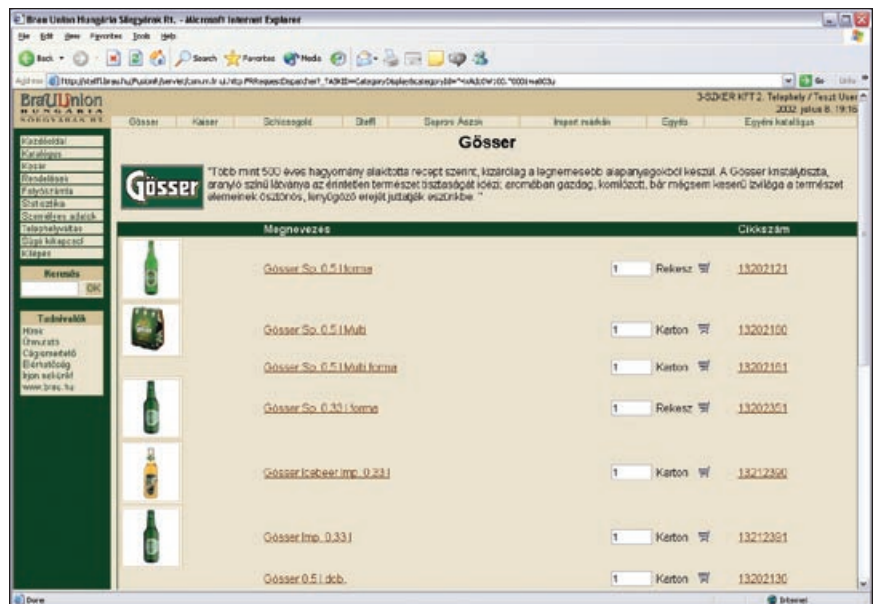
Satisfaction with existing IBM @server iSeries™ and IBM DB2® Universal Database™; IBM e-business solution perceived as more cost-effective than other proposals; inherent scalability of WebSphere® software and DB2 data management software

■ Key Business Benefits

Reduced order-processing costs; reduced purchasing costs for distributors; ability to deploy administrative staff more productively; positive brand exposure due to being first-to-market with e-business platform; improved customer satisfaction through greater convenience and better information

■ Business Partner

R&R Software Rt.



Thanks to its focus on quality and service, Brau Union Hungária was among the first Hungarian breweries to receive ISO 9001 quality assurance certification.

April 1, 1896. The picturesque Hungarian town of Sopron at the foot of the Austrian Alps. Though renowned for its gourmet wines, Sopron is breaking with tradition this evening by welcoming a new beverage to its local trade. As townspeople cheer, a decorated horse-drawn wagon exits the First Sopron Brewery and Malt Factory inaugurated only four months before, carrying the brewery's first shipment of ale and beer.

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*—Károly Pirger, IT Manager,
Brau Union Hungária*

Key Components

Software

- IBM WebSphere Application Server, Standard Edition
- IBM DB2 Universal Database Workgroup Edition for Windows NT®, Version 7.2
- IBM WebSphere Studio Application Developer (formerly IBM VisualAge® for Java™)

Servers

- IBM @server iSeries
 - IBM @server xSeries™
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Over a century later, as one of two breweries now comprising Brau Union Hungária Breweries Co. (BUH), the Sopron plant produces over 58,000 bottles of beer per hour. Its flagship brand, Soproni Aszok, is renowned among beer connoisseurs worldwide.

Formed in 1991, BUH has a workforce of 820 employees. Its shares are traded on the Budapest stock exchange, with Austrian beer conglomerate BBAG (Österreichische Brau Beteiligungs AG) as majority owner. Ranked among Hungary's three top producers, with a nearly 30 percent share of the domestic market, BUH recorded nearly 29.8 billion Hungarian Forints (US\$115.5 million) in sales in 2001, generated by nearly 41 million gallons of beer.

BUH's products are sold throughout Hungary by over 150 beer distributors. Traditionally, these firms placed orders with the brewer by phoning to inquire about pricing, availability, special offers and discounts, and then placing a separate call to dictate or fax their order. It was a lengthy, frustrating, error-prone process that had changed little in decades.

BUH realized that it could differentiate itself from competitors, boost satisfaction among distributors and increase its business share by being the first to market with an automated e-commerce Web site. Such a site would enable beverage distributors to access up-to-date pricing, order status and financial and statistical information, as well as submit orders online, integrating seamlessly with the company's SAP R/3 system. Károly Pirger, IT manager at BUH, explains: "Dialing, redialing and waiting on hold was the industry standard, and our distributors and back-office staff were chronically exasperated. We knew that a fully serviced e-commerce Web site would vastly simplify the process. We sought a vendor that could furnish the technological infrastructure and expertise to make such a solution possible."

"IBM has been furthering the success of our business for over a decade. We knew that R&R and IBM would furnish us with the robust, scalable and reliable e-business capabilities we required."

—Károly Pirger

Quenching the thirst for convenience and efficiency

After evaluating proposals from several IT vendors, BUH chose local IBM Business Partner R&R Software Rt. (R&R). Pirger says his company chose R&R because it best understood the brewer's business needs—and because the central component of its solution, called FusionR iEC (FusionR integrated e-commerce), is based on e-business technology from IBM. "IBM has been furthering the success of our business for over a decade," Pirger observes,

citing IBM DB2 Universal Database for iSeries and IBM @server iSeries that form the company's line-of-business data management infrastructure. "R&R has a solid reputation for providing innovative enterprise solutions based on hardware as well as e-business and data management software from IBM. We knew that R&R and IBM would furnish us with the robust, scalable and reliable e-business capabilities we required."

R&R, which had been supporting BUH's iSeries servers for five years, designed a solution that would minimize complexity and expense by leveraging the brewer's existing hardware infrastructure. "The R&R solution based on WebSphere software from IBM proved significantly less expensive, more flexible and could be implemented more quickly than the other proposals," Pirger observes.

In just two and a half months, R&R implemented a comprehensive B2B e-commerce Web site based on IBM WebSphere Application Server, Standard Edition, DB2 Universal Database Workgroup Edition for NT, Version 7.2, IBM WebSphere Studio Application Developer (formerly IBM VisualAge for Java), and IBM iSeries and xSeries servers.

The results, Pirger reports, have been impressive. "We are the first brewer in Hungary to implement an e-business site for distributors," he notes. "WebSphere and FusionR iEC software enable our customers to check order status and current pricing information, place orders and view their accounts over the Web—with remarkable speed and efficiency—and they are delighted. The time saved translates to distributors' bottom lines—and to ours. And because the WebSphere solution integrates with our backend SAP R/3 system, the need for manual data entry has been considerably reduced, freeing back-office staff for more productive tasks."

Tapping into e-business opportunity

BUH distributors are assigned a user name and password to log on to the B2B site. Incoming requests are transmitted by the Web server through the firewall to the FusionR application, which resides on an xSeries Intel® technology-based server, along with the firewall and Web server.

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Quality beers from Brau Union Hungária recently won three coveted gold medals from the esteemed Monde Selection International Institute in Brussels.

As part of the FusionR application, WebSphere Application Server drives the SAP access beans that invoke specially written remote function calls (RFCs) and business application programming interfaces (BAPIs) in the SAP system. In this way, WebSphere Application Server integrates the e-commerce application with the existing Sales and Distribution (SD) and Financials (FI) modules in SAP.

WebSphere Application Server also powers the JavaServer Pages (JSPs) that determine how the information is presented to the distributors on the B2B site. DB2 Universal Database, also residing on this server, stores the product catalog, incoming orders and user information. The FusionR application provides the communication layer (command interface) between the WebSphere software-based business logic and the SAP system.

Gábor Ila, e-business unit manager at R&R, says that IBM e-business technology provides a powerful vehicle for integrating customers' disparate IT systems and extending them to the Web. "WebSphere software, including WebSphere Studio Application Developer, fully support open industry standards such as the BAPI standard for Java, letting us easily create business applications that access and integrate third-party ERP systems into new Web-based Java applications for e-business."

Another powerful advantage of both WebSphere Application Server and DB2 Universal Database, Ila adds, is their inherent scalability. "Many of our customers are small to mid-size businesses that want to let their e-business environment grow with their enterprises. Because a single Java engine powers all editions of WebSphere Application Server, customers can easily upgrade their hardware to machines with greater capacity as their needs change."

BUH is eager to expand its use of IBM e-business technologies as the company continues to develop. "We want to make the integration of information more pervasive and interactive," says Pirger.

Encouraged by the success of the e-commerce project, the brewer is currently implementing a solution known as FusionR SFA (Sales Force Automation), based on IBM pervasive computing technology. The system will enable field representatives to collect more current and reliable information in the field using portable devices. At the same time, it will provide sales managers with information that will aid in planning and managing customer-focused activities. "IBM technologies will continue to improve our business intelligence, streamline business processes and maximize our business potential," Pirger predicts. "I am confident that IBM's innovative software and hardware solutions will keep Brau Union Hungária's e-business successes flowing as smoothly as our beer—and that's a prospect we all can drink to."

For more information

Please contact your IBM marketing representative or IBM Business Partner.

Visit us at:

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For more information about Brau Union Hungária and R&R Software Rt., visit:
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