



ENHANCING SUPPLY CHAIN MANAGEMENT WITH THE WEBMETHODS PRODUCT SUITE

Challenge

Quixtar's business model focused on interfacing closely with numerous suppliers and seamless interaction was mandatory to support customer sales; however, the company's existing legacy purchasing system was not optimal and did not provide the flexibility needed to quickly set up products and purchase orders.

Solution

The webMethods product suite allowed Quixtar to replace its costly legacy purchasing system and integrate catalog product applications with its ERP Supply Chain software (JD Edwards®) to easily maintain information on suppliers, items, pricing, inventory, and purchase orders.

Benefits

Quixtar's staff now has real-time access to purchase order updates, receipts and inventory. Items can now be set up and ordered from suppliers in one day versus two to three days. The new solution has also spurred integration and streamlining of the transportation, planning and financial department procedures—improving efficiencies of operation even further.



Quixtar Inc., a subsidiary of Alticor Inc., offers entrepreneurs the ability to have a Web-based business of their own. Since 1999, independent business owners have generated more than \$5.2 billion in sales at www.quixtar.com, plus more than \$396 million for partner stores. Quixtar is the industry's 20th largest online retailer and the overall leader within the health and beauty category. Some of Quixtar's well recognized product brands include NUTRILITE® nutritional supplements and ARTISTRY® skin care and cosmetics.

Get there faster.™

“Rapid deployment of Web services has not only **greatly diminished development time** but Quixtar is also capitalizing on a key advantage of the SOA methodology—reusability”

Tina Abdoo | Integration Center Manager | Quixtar

With a business model focused on interfacing closely with numerous suppliers, seamless interaction is mandatory to support customer sales. While Quixtar’s catalog product system and legacy purchasing system were critical to its operations, managing the product and order process was slow and costly to maintain, with product and order updates taking two-to-three days to process. Catalog planners received product updates only during an overnight batch process and did not have access to real-time receipts or inventory updates. Quixtar was therefore keen to replace its costly legacy purchasing system and integrate its catalog product applications with its ERP Supply Chain software (JD Edwards®) to easily maintain information on suppliers, items, pricing, inventory and purchase orders.

“The existing legacy purchasing system was not optimal and did not provide the flexibility to quickly set up products and purchase orders,” said Rick Townshend, Finance & Product Systems Manager. “By eliminating our reliance on this legacy system, we could significantly improve the timeliness and accuracy of our ordering information and reduce the resource requirements that the aging system imposed on the IT staff.”

Transitioning supply chain operations

Quixtar decided to migrate its purchasing activity from the mainframe to JD Edwards, but retain its custom catalog product system. To accomplish this, Quixtar decided to leverage the powerful integration capabilities of the webMethods product suite because it offered them a real-time, scalable platform to which Quixtar could easily and seamlessly transition supply chain operations.

Leveraging the webMethods product suite, Quixtar was able to quickly integrate all of these systems into a more holistic and seamless supply chain in which batch transfers were replaced with real-time integration. At the same time, the

webMethods product suite was also used to create a number of customized application interfaces which provided users with role-based access to a variety of applications as well as a more comprehensive view of their operations.

As Quixtar’s catalog buyers negotiate with suppliers, the supplier information and pricing are loaded from existing applications directly to JD Edwards via webMethods product suite interfaces. Product information and purchasing information are also loaded in real-time. With this tight integration in place, items may now be set up and ordered from suppliers in one day.

The IT team has streamlined the development process by relying on the re-use of Web services and common data models across implementations. A consolidated supply chain infrastructure allows Quixtar to reduce application redundancy, as well as its reliance on more costly mainframe systems.

Optimized supply chain management

Catalog staff now has real-time access to purchase order updates, receipts and inventory. Items can now be set up and ordered from suppliers in one day versus two-to-three days. Staff is also able to provide accurate plans and order products from suppliers faster.

Supply chain interactions are significantly improved as a result of real-time information on suppliers and products. Quixtar now has the ability to set up “hot buy” products and place same-day orders to suppliers. The new solution has also spurred integration and streamlining of the transportation, planning and financial department procedures.

The webMethods product suite provides the needed integration layer between the Quixtar merchandising, forecasting and planning

applications and the JD Edwards supply chain software. From a technology standpoint, leveraging this software has eliminated numerous mainframe jobs and programs and shrunk maintenance costs associated with legacy mainframe applications.

KEY COMPONENTS

webMethods product suite

The webMethods product suite delivers Business Infrastructure Software, enabling companies to automate and improve business processes and eliminate point-to-point integration challenges.

ABOUT SOFTWARE AG

Software AG is the world’s largest independent provider of Business Infrastructure Software. Our 4,000 global customers achieve measurable business results by modernizing and automating their IT systems and rapidly building new systems and processes to meet growing business demands.

Our industry-leading product portfolio includes best-in-class solutions for managing data, enabling service-oriented architecture, and improving business processes. By combining proven technology with industry expertise and best practices, our customers improve and differentiate their businesses – faster.

Software AG – Get There Faster

© 2008 Software AG. All rights reserved. Software AG and all Software AG products are either trademarks or registered trademarks of Software AG. Other product and company names mentioned herein may be the trademarks of their respective owners.