

Leading Office Products Supplier Realises Significant Competitive Advantage By Integrating and Upgrading Business Critical Systems

prepared by Mandant Solutions Ltd.



Office Depot provides more office products and services to more customers in more countries than any other company. A leader in every distribution channel including: retail stores, contract delivery, catalogues and e-commerce. With over \$3.8 billion of sales, the Company is one of the world's largest e-commerce retailers. The Company operates under the Office Depot®, Viking Office Products®, and Viking Direct® brand names.

Office Depot's UK and Ireland division is part of the largest office-supply company in the world.

It has been using SAP since 1996 to help it deliver prompt, reliable service to its large base of business customers, dispatching some 155,000 orders each day. This SAP-savvy business has built up a highly skilled in-house team of 15 specialists focused on continuous improvement of their chosen ERP system.

Choosing to upgrade from version 3.1 to SAP R/3 Enterprise was paramount to receiving ongoing vendor support. It was considered a daunting task and would require more expertise than their highly skilled team could offer in taking their Sales, HR and Warehouse Integration into a new phase of expansion. Compliance had forced change and Director of SAP Andrew Parry took the wise decision to simultaneously rework the warehouse interface to both improve its ease of use and make it future proof. Office Depot would project-manage the upgrade with the help of Mandant Solutions Ltd.

Making The Right Choice

Parry says that his team considered every alternative to the SAP upgrade, and jokes that they even considered looking outside of SAP altogether. He was also keen to point out that SAP really does make a difference to the business: "We've grabbed SAP and run with it. 40% of our partners are integrated, and we rely on the data that SAP gives us to make important decisions within our business. In fact, our decision to run with SAP is intrinsically linked to the massive financial success we have had in recent times, and it really helps our staff do their jobs to the best of their ability". As a result, Office Depot decided to go ahead with the upgrade to SAP R/3 Enterprise for their UK and Ireland operation. Although they had highly skilled staff in-house, Parry felt that they needed specialist help for such a critical project: "We do everything we can internally, but we had no real experience of this sort of upgrade work within the team".

Choosing A Technical Partner

Mandant's principle consultants had successfully implemented the original SAP solution some years before. Through word of mouth we became aware that Mandant were also responsible for delivering some of the first UK Enterprise upgrades. Parry said, "When you're dealing with a major upgrade, it is essential to have every confidence in your team. We had a long standing association with Mandant; they'd worked extremely well with us in the past and were uniquely positioned to deliver the right combination of experience, flexibility and cost-effectiveness, which have always been priorities for us".

Integrating the Solution

Office Depot's SAP system was integrated with a number of warehouse control systems using Asynchronous Link Enabling (ALE), a messaging standard that manages messages of different formats heading to and from the SAP system.

To ensure the warehouse links remained both reliable and future-proof, and could take advantage of new features in SAP R/3 Enterprise, the interfaces needed a complete rewrite. At the same time, Office Depot wished to improve productivity by enhancing its Graphical User Interface for warehouse operatives, which had been unintuitive and presented the users with efficiency-dampening design features like pop-up dialogue boxes.

What's more, the existing interface was not coded to function with future versions of SAP, which made it a potential ongoing problem. "The Andover interface carries 50,000 messages per day, to and from the SAP system," notes Parry. "The generation and processing of these messages needed programs and modules to be re-written. With a highly significant proportion of the business dependent on it, it was crucial that it worked right first time and every time – Andover is the largest of our warehouses and carries about 30% of the company's orders. Mandant led the upgrade project to move Office Depot from SAP 3.1 to SAP R/3 Enterprise, using proven processes and experience gained undertaking Enterprise upgrades. To ensure that the project would run smoothly, Mandant ran multiple tests and evaluations of the existing system before proceeding with the technical update and making the system live.

The Results

While working on the SAP upgrade, Mandant also coded a number of modules to form the new interface to the warehouse systems. Both projects were completed without a hitch, leaving Parry in no doubt that he made the correct choice in working with Mandant again. "They know the business, they know how we operate—so they give us the support we need and the confidence to deliver to our customers on time. They really help support our service, which is the core of our business."

“What’s more,” says Parry, “they share their skills and experience with my team as they undertake the project, to help us retain our self sufficiency in the future. I would have no hesitation in giving the highest recommendation for their skills and work ethic”

The result is a future-proof, up-to-date implementation that has earned approval from SAP UK. It is providing tangible benefits: as well as the latest features of the SAP R/3 Enterprise system, the warehouse-integration interface is easier to use and ready to accept new features and changes in the Office Depot SAP implementation as they arise, without need for costly recoding.

The Future

Parry was so satisfied with the result that, following consultation with Mandant, he has identified major opportunities for further enhancements and requested that Mandant’s be involved with new SAP initiatives. Integrating the SAP system into the wider company’s Finance, HR, Warehouse and Sales systems, is what Parry describes as “a huge job, but one that will realise major long term benefits and produce rapid ROI”

Office Depot’s relationship with Mandant is founded on collaboration and the ability to supplement in-house skills to produce real results under pressure. Parry concludes that “Mandant are truly dedicated to great service, and they always deliver the goods. In that sense, they’re a very good match and compliment our own business philosophy”

About Mandant

Mandant are widely regarded as the leading independent SAP Technology and NetWeaver specialists. Founded on more than 12 years of SAP technology experience we help customers maximise the potential when implementing, upgrading or integrating SAP with any number of software applications. Our customer centric practice helps unite the business community, third party vendors, SAP and its Partners. Our unrivalled expertise is there to ensure your quality of service and success in achieving the most from your SAP system.

By providing the industries leading technical and development resource we continue to serve the SAP community and assist in deploying the best technology solutions, the best practises and best applications available to leverage the most from your SAP enterprise investment. Our team members average ten years real world experience and demonstrate a depth and breadth of knowledge that is truly outstanding and rarely seen in our nearest competitors. With roots going back to R2, our R3 pedigree would also be difficult to better. We believe that SAP’s technology is second to none. We also believe that a large proportion of SAP customers are failing to derive business benefit by not fully exploiting this technology. We can help you to extend, upgrade or refine existing implementations or advise and assist with new ones. We’ll continue to deliver on the promise that SAP made to your organisation; after-all your success precedes our reputation...

Mandant are at the forefront of delivering SAP XI projects and training. It is significant to note that in 2005 we were requested to co-deliver with SAP UK the world first In-depth SAP XI ‘Boot camp’ training course. Along with providing independent XI course material we’ll continue to work with and on behalf of SAP UK Education.

For further information, or to speak with us about our technology services, contact Mandant Solutions Ltd on **0870 870 6767** or email at **info@mandant.net**