

TOP TO BOTTOM



END TO END

## Warburtons rises to meet new challenges with IBM and SAP

### Overview

#### ■ The Challenge

Warburtons wanted to create a more stable platform to support future business growth and deliver reduced total cost of ownership.

#### ■ The Solution

Warburtons worked with IBM Global Business Services to carry out a complete overhaul of its infrastructure – moving to 64-bit Microsoft Windows Server 2003 x64 Edition running on new IBM System x hardware, upgrading to Oracle 10g for its SAP software databases, and upgrading to the latest version of the SAP ERP application.

#### ■ The Benefits

IBM Global Business Services planned and delivered a successful, low-risk migration that was completed on time and within budget. In addition to providing a suitable platform for the deployment of further SAP applications, the new IBM infrastructure has improved the performance and reliability of Warburtons business-critical ERP software.

#### ■ Key Solution Components

**Industry:** Consumer Goods  
**Applications:** SAP® ERP 6.0, with financial accounting, controlling, materials management, sales and distribution, production planning, quality management, human resources and payroll functions  
**Hardware:** IBM System x™ servers (x3850 and x3650)  
**Software:** Microsoft® Windows® Server 2003 x64 Edition, Oracle®  
**Services:** IBM Global Business Services

Warburtons is the largest independently-owned bakery company in the UK, with annual revenues of £411 million and more than 4,200 employees across 13 bakeries and 11 depots. Founded in 1876, the company produces more than two million bakery products daily for distribution throughout the UK.

Warburtons wanted to provide a better platform for implementing further SAP applications and move to a more current version of SAP ERP, in order to keep support costs low.

“We determined that our existing hardware and software infrastructure would not support our future plans, and that we needed to upgrade every aspect: hardware, operating system, database and applications,” says Damien Ghee, IT and Programme Director at Warburtons. “Performing such a major upgrade required very careful planning to keep downtime to an absolute minimum, and it was important to find an implementation partner capable of supporting this goal.”



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Damien Ghee,  
IT and Programme Director  
Warburtons

### **High-speed, low-risk upgrade**

Warburtons considered four solution providers to help with the upgrade. The Request For Proposals (RFP) was weighted towards project approach (25 per cent) and experience (25 per cent), with cost (20 per cent) and customer references (15 per cent) the other major criteria. Says Damien Ghee, “IBM was the clear winner across the board, and in particular for its approach to the project. This was a highly technical solution covering all the major elements of the infrastructure. IBM asked the right questions, and demonstrated that it could bring together the right resources to make the risk as low as possible.”

Working with IBM Global Business Services, Warburtons opted to upgrade from SAP R/3® 4.6C on Windows Server 2000 with Oracle 9i to SAP ERP 6.0 on Microsoft Windows 2003 x64 Edition with Oracle 10g. In parallel, Warburtons also implemented

a new NetApps storage area network (SAN) system.

The project was run by IBM Global Business Services in three stages. First, the Oracle database was upgraded from 9i to 10g. Next, the team completed the upgrade to 64-bit Windows running on new IBM System x hardware and implemented the new SAN storage system.

Warburtons chose four IBM System x3850 servers for the SAP databases and seven IBM System x3650 servers for the SAP applications, all with dual-core Intel Xeon processors. The System x environment is clustered for high resiliency, helping to ensure that the SAP software remains available at all times. The IBM System x platform leverages IBM X-Architecture technology, applying proven mainframe-inspired innovations to provide industry-leading resiliency and availability to Intel processor-based computing.

“We chose to continue with IBM System x with Intel technology as the platform for our mission-critical SAP environment on the basis of its proven reliability, build-quality, serviceability and performance characteristics,” said Damien Ghee.

With the infrastructure in place, the team tackled the SAP upgrade. Dealing as it does with highly perishable goods, Warburtons is a true 24x7 business. Customers place orders on a daily basis, and receive new stock the following day. This made it crucial to keep the scheduled downtime for the SAP software



upgrade to an absolute minimum. An initial assessment determined that it might require 72 hours to complete the upgrade. The project planning work carried out by IBM, together with business contingency planning by Warburtons, reduced the actual downtime to just 30 hours.

“We worked with our customers to explain what we were doing and why, and we set up a set of contingency plans to enable the business to keep running smoothly while our systems were down for the upgrade,” says Damien Ghee. “This included measures such as getting customers to place their orders ahead of time. The contingency planning received very positive feedback from our customers.”

### **Keeping everything on track**

For the functional upgrade, the joint IBM-Warburtons project team took full advantage of Warburtons internal ABAP and SAP Business Analyst resources, and was helped by extensive knowledge transfer from the IBM ABAP, Security and Functional Team. IBM Basis Resources assisted with the technical aspects of the upgrade, and IBM Global Business Services advised upon potential application issues ahead of the go-live.

In addition to running unit testing for the Functional, ABAP and Security elements, two cycles of System Integration testing and full User Acceptance Testing were run on a “dry-run” system, including Stress, Performance, and Disaster Recovery testing. There were two full dry runs to

facilitate detailed planning and downtime analysis, helping to ensure that there were no surprises during the go-live itself.

“The IBM Global Business Services team maintained very close control over the scope of the project and successfully kept us within the tight schedule for go-live,” says Damien Ghee. “The teamwork between IBM and Warburtons was very effective, and we felt that IBM had a good focus on our needs as a mid-sized organization.”

He adds, “IBM had an excellent understanding of what was required at every stage. In our post-implementation review, we concluded that we had achieved all of our goals, and with minimal impact on normal business operations.”

The new SAP ERP environment – encompassing financial accounting, controlling, materials management, sales and distribution, production planning, quality management, human resources and payroll applications – went into production exactly on schedule, and now handles more than 20,000 orders per day. There are approximately 1,300 named users of the SAP software, with a peak concurrent user base of around 600. The Oracle database for the SAP software environment contains 3TB of data.

The IBM team used a range of standard SAP methodologies to ensure that the functional upgrade was carried out according to best-practice guidelines and to keep the risk as low

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Damien Ghee  
IT and Programme Director  
Warburtons

as possible. "This was a complex and potentially risky project, and it required excellent project management skills from IBM to keep everything on track and running smoothly," says Damien Ghee. "We simply would not have been able to achieve the results we did without the work carried out by IBM."

### **Improved control and efficiency**

The upgrade carried out by IBM Global Business Services has given Warburtons a solid platform on which to build new capabilities for the future. The company plans to deploy new Customer Relationship Management, Supplier Relationship Management and Supply Chain Management solutions within its SAP software environment. The new platform will also support the rollout of Direct Store Delivery (DSD) functionality in SAP ERP.

### **Immediate benefits**

Including the database and hardware upgrades, the full project was completed on time – taking just over three months from start to finish – and within the planned budget. While Warburtons is still in the early days of rolling out new functionality, the benefits on the IT side were immediately obvious. The number of calls per week to the helpdesk fell back below the previous average of 142 within just two weeks of the go-live, peaking at 171 in the first week and now standing at just 120. "These figures show that the disruption for users was relatively minor, once the new system had bedded in," says Damien Ghee.

*"Working with IBM Global Business Services to upgrade our SAP ERP environment has already delivered major benefits in terms of performance and reliability."*

Damien Ghee,  
IT and Programme Director  
Warburtons

The switch to a 64-bit operating system on more powerful IBM x86 hardware has provided more computing power and memory for the business-critical SAP software. The average number of timed-out requests fell by 87 per cent as a result, and the average number of system errors fell by 83 per cent. "We also improved response times for our SAP software users by a factor of 2.4, enabling our employees to work more effectively," says Damien Ghee.

He concludes, "Working with IBM Global Business Services to upgrade our SAP ERP environment has already delivered major benefits in terms of performance and reliability. The upgrade was handled in a well-planned, systematic manner which kept our risk low and ensured that we achieved all of the pre-defined project goals."



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