

## ▶ ESAB® Welding and Cutting Products

“We were assured of getting to market quickly because SSA Global understood Collaborative Order Management.”

— DAN YOUNG, e-BUSINESS DEVELOPMENT LEAD, ESAB WELDING AND CUTTING PRODUCTS



“With ESABOnline, we can easily build in features that attract people to Collaborative Order Management and our site.”

— DAN YOUNG, ESAB e-BUSINESS DEVELOPMENT LEAD

## ► real-time access to order information.

### Business Issues

ESAB Welding and Cutting Products (ESAB) faced a world with drastically fewer customers because of consolidation that dropped the number of independent welding equipment distributors by nearly 70 percent in the five years preceding 2000. This high-stakes environment made it imperative for ESAB to establish a clear service advantage and brand differentiation. To address this priority, ESAB chose to implement a transactional Collaborative Order Management (COM) Web site that would feature seamless integration with its existing ERP system, real-time functionality, rapid implementation and ease of use.

### The Company

ESAB is one of the world's largest suppliers of welding and cutting equipment, with yearly revenue of \$1 billion. Based in the United Kingdom, it's a market leader and holds the most patents for technological advances in welding. The company runs its SSA® BPCS® software on an IBM® eServer® iSeries® (AS/400®) server, and has operated a Web site for a number of years, though early on its function was more or less informational.

### What's Critical

ESAB realized its North American market was undergoing major change. Due to distributor consolidation, the number of independent welding equipment distributors had dropped by some 70 percent. As ESAB pursued distributors that remained, a clear service advantage became an urgent priority.

company .....	ESAB
solution .....	SSA CRM
product .....	SSA Collaborative Order Management
platform .....	IBM iSeries (AS/400)
industry .....	Industrial Machinery and Equipment
customer .....	Welding equipment distributors
country .....	U.S.

“We needed to establish new efficiencies across our supply chain operations,” notes ESAB Senior Vice President Dick Powell. “Our initiatives centered around streamlining processes, offering services unmatched by our competitors, and differentiating our brand. One of the ways we chose to accomplish these goals was through Collaborative Order Management.”

In 1998, the company began considering ways to turn its online presence into a competitive advantage. Specifically, ESAB chose to implement a transactional COM Web site with these specific criteria:

- Seamless integration with ERP system: Deploy a COM system that worked well with its existing enterprise resource planning (ERP) system.
- Real-time functionality: Give customers more responsive service through real-time access to order information.
- Rapid implementation: Get the web site online as quickly as possible to leverage significant advantages associated with being an early adopter of COM in the industry.

- Ease of use: Be sensitive to the varying levels of its customers' technical capabilities.

### Finding the Right Solution

SSA Global's Collaborative Order Management suite satisfied each of ESAB's requirements. “SSA Global's understanding of Collaborative Order Management, integration with SSA BPCS, and core e-Business processes meant we were assured of getting to market quickly,” explains Dan Young, e-Business development lead at ESAB.

By selecting SSA Global, ESAB gained the following benefits:

- Extensibility: ESAB runs its SSA BPCS software on an IBM eServer iSeries (AS/400) server, which houses all core business programming and applications. SSA Global applications used by the ESABOnline site integrate with the hardware to provide real-time information to customers.
- Real-time capabilities: With real-time online connectivity to the SSA BPCS system, ESAB customers are now provided with a comprehensive self-service system that they can access at their convenience to assess order status, price and inventory availability in real

“Some software companies offered us free software, but we chose SSA Global because of their proven solution.”

— DICK POWELL, SENIOR VICE PRESIDENT OF IT AND e-BUSINESS

## ► streamline the order process.

time, 24x7. They also can place orders from any PC with Internet access; review new product information; analyze account history; track shipments and subscribe to email notification services.

### Implementing Fast

With ESABOnline, the company has emerged as a COM pioneer among welding manufacturers. Created within 90 days, the site went live with real-time order status and product inquiry capabilities. To encourage adoption, ESAB has implemented an educational campaign, including marketing bulletins, trade show demonstrations and sales force training.

The convenience and reliability of ESABOnline and the high functionality of the site is popular with the sales force, which incorporates demonstrations of the site into customer presentations.

### Making it Pay

The self-service features of its COM site place a wealth of functionality and information directly in the hands of ESAB customers. From descriptions and specifications to prices and availability, everything a customer needs to place an order is available through ESABOnline.

Twenty-eight percent of ESAB orders now come in electronically. ESAB has been able to deal with customers more efficiently. Usage of ESABOnline is 30,000 minutes per month resulting in efficiencies, operating with 25 percent less customer service personnel. ESAB is now the recognized leader in their industry in e-Business. The key to this adoption has been a one-on-one education

program that walks customers through ESABOnline and assigns them a personal administrator.

“Our larger customers continue to use EDI, but they now turn to ESABOnline for status information and spot buying,” notes Young. Improved self-service features have driven down the cost of customer service, and the site itself contributes significantly to the company's financial results. As of 2003, 8 percent of ESAB's total revenue was attributed to ESABOnline. EDI orders account for an additional 20 percent of electronically placed orders.

### Forward Faster™ — Into the Future

ESAB plans a reporting feature that will allow customers to obtain, purchase and order information for analysis. The reporting feature may expand to include pricing agreement summaries and marketing program status, so customers can see how close they are to achieving program milestones.

The company also plans to use the site to more specifically identify users who receive mailings, emails and promotion notifications, with the intention of developing more tailored marketing messages.

### about SSA Global

SSA Global is a leading provider of extended enterprise resource planning (ERP) solutions for manufacturing, services, and public organizations worldwide. In addition to core ERP applications, SSA Global offers a full range of integrated extended solutions including corporate performance management, customer relationship management, supply chain management and supplier relationship management. Headquartered in Chicago, SSA Global has 121 worldwide offices serving more than 16,000 customers that represent market-leading companies in over 90 countries. For additional information, visit the SSA Global web site at [www.ssaglobal.com](http://www.ssaglobal.com).



forward faster

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