

HOW BRÜTSCH- RÜEGGER MAKES PROGRESS



EXPANDING SERVICES TO INCREASE MARKET SHARE

Retailer Brüttsch-Rüegger AG wanted to expand its business-to-business services by creating its own e-marketplace. The decision to use Progress technology was not a difficult one, and the results have been impressive: reduced process costs and integration times for customers and suppliers, and a simplified order processing system.

Based in Urdorf, near Zurich, Brüttsch-Rüegger is a leading supplier of tools, standard parts and steel tubes to the metalworking industry and the trade. Established in 1877, this independent family-owned company offers over 80,000 tools and parts, more than 99% of which are available from stock. It combines traditional, high-quality service with state-of-the-art data processing, treating customers as the central focus of its business and developing long-term partnerships with them in order to maintain its financial independence and increase its market share.



Brüttsch-Rüegger
Tools

CHALLENGE

Increase its market share by expanding its business-to-business services

SOLUTION

Integrated its ERP system with customers' and suppliers' systems and created an e-marketplace with Progress® Sonic® ESB and help from Progress Professional Services

BENEFIT

30% reduction in the cost of key processes such as procurement and order processing; decreased sales force workload significantly by automating routine tasks

At an early stage in the e-commerce era, Brüttsch-Rüegger identified the potential of the new technology and invested in an e-shop. In 2002, it improved its logistics and sales processes by introducing the i/2 ERP system, developed by Swiss company Polynorm Software.

Among the cornerstones of the company's tool sales division are the "toolbook" and the "normbook"—catalogues of its tools and standard parts ranges. Both the printed and electronic versions are produced electronically using Stämpfli all media AG's ms2 e-publishing system.

TIME WAS RIPE FOR FULL INTEGRATION

The company's existing electronic data interchange system could no longer meet the growing demand from customers and suppliers for xml-based EDI via the internet, and nor was it the ideal solution for a large number of very varied interfaces. The interface problem was made worse by the growing number of integrations required; these disrupted business processes and made it difficult to expand the company's IT-based services while remaining customer-focused.

The company therefore had the following main goals:

- > Achieve the high degree of flexibility required to integrate a growing number of customers and suppliers while avoiding over-complexity;
- > Create versatile services, which use the potential of the Internet to reduce process costs for customers and suppliers;
- > Reduce the sales department's workload by automating routine tasks such as inputting standard orders.

IMPLEMENTED IN RECORD TIME

The new platform had to meet a demanding set of requirements: it needed to be stable and secure, quick to implement, and based on state-of-the-art technology and architecture. Following a multi-stage evaluation process, the company chose the Progress Sonic Business Integration Suite to integrate its i/2 ERP system with customers' and suppliers' systems and create an internal e-marketplace providing fast, flexible, Internet-based

"Progress Software's professional approach and proven technology were major factors in the successful implementation of this complex solution."

*Martin Wirth
Chief Information Officer*

connections. Rapid implementation was a particularly important factor in the decision, because Brüttsch-Rüegger was under time constraints from customers wanting fast electronic access to the i/2 ERP system.

Progress Software used its product Progress® Sonic® ESB to integrate the key clients in less than four weeks. New clients and suppliers are now being connected on an ongoing basis, and as no interface programming is required, new integrations with the e-marketplace system can be carried out in a matter of days.

Customers and suppliers are connected using an integration module consisting of Sonic ESB, an Enterprise Service Bus (ESB) developed by Progress Software. The solution was realized by Progress Software AG, using architecture designed for easy connection by new customers and suppliers. The integration to the i/2 ERP system was created by Polynorm Software AG, and the connections to two marketplaces (Ariba and Conextrade) and various partner companies were implemented within two months. The project was carried out by Progress Software's professional services division, which integrated all the systems and carried out the customer training.

ONE-STOP PLATFORM IMPROVES PROCESS EFFICIENCY

The integration of the ERP system, online shop, CD-ROM and product catalogue with customers' and suppliers' systems created a unique platform. The company now achieves more than 20% of its turnover from the large number of customer connections, and plans to increase this proportion to over 50%.

The project involved the phased creation of connections for customers and suppliers, and this was achieved without problems using Sonic ESB's open and flexible architecture. It now takes an average of one to three days to integrate a new customer or supplier, including the process of obtaining information about their system. This is 10 to 15 times faster than with its previous system.

The cost of key processes, such as procurement and order processing, is around 30% lower than with a conventional system. Progress Software's

professional approach and proven technology were major factors in the successful implementation of this complex solution.

The new platform has brought important benefits for the company and its customers and suppliers, including the following:

- > Process cost savings for all the parties involved,
- > Faster processing of customer and supplier orders,
- > More secure orders and payments,
- > Increased customer satisfaction and loyalty,
- > Time savings on project realization and day-to-day work processes,
- > Reduced workload due to automation of routine tasks, and
- > High availability and low error levels.

PROGRESS SOFTWARE

Progress Software Corporation (NASDAQ: PRGS) is a global software company that enables enterprises to be operationally responsive to changing conditions and customer interactions as they occur. Our goal is to enable our customers to capitalize on new opportunities, drive greater efficiencies, and reduce risk. Progress offers a comprehensive portfolio of best-in-class infrastructure software spanning event-driven visibility and real-time response, open integration, data access and integration, and application development and management—all supporting on-premises and SaaS/cloud deployments. Progress maximizes the benefits of operational responsiveness while minimizing IT complexity and total cost of ownership.

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