

 **CASE STUDY: ELEKTROSKANDIA**



**ELEKTROSKANDIA ACHIEVES 65%
ANNUAL SAVINGS BY MOVING TO A
MODERN, COST-EFFECTIVE WINDOWS
ENVIRONMENT**

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CHALLENGE

As a major wholesale retailer and distributor, Elektroskandia is highly dependent on its Central Warehouse Management System. But this critical application was running on an aging mainframe and, with the discontinuation of its operating environment, the system's support and maintenance costs had grown to unacceptable levels.

SOLUTION

Application Modernization:

- Micro Focus Studio™
- Micro Focus Server™

BENEFITS

- 65% reduction in annual operating costs
- Future mainframe upgrade costs eliminated
- Dependence on scarce mainframe operations skills removed
- Increased developer productivity
- Overall system performance improved

THE CUSTOMER

Elektroskandia is the leading wholesale retailer of electrical goods in Sweden and has been trading for more than 100 years. The company supplies a huge range of products including electronic devices, lighting systems, household appliances and industrial supplies.

THE CHALLENGE

The Central Warehouse Management System is of fundamental importance to Elektroskandia's business, managing 36,000 SKUs (Stock Keeping Units) and 19,000 order lines daily, as well as being totally integrated with Elektroskandia's Enterprise Resource Planning (ERP) system. The system worked well but the environment on which the system ran was a huge concern.

"Our Central Warehouse Management System operated on an aging mainframe," explained Karen Kruger, CIO at Elektroskandia. "The challenges we faced with this outdated platform included ever rising support costs, as the operating environment had been discontinued in the late 1990s, and the difficulty of finding developers with the necessary skills."

The first option the company considered was to completely re-write the management system for a new programming and operating environment using the C# language and Microsoft Windows. However, recreating such a complex system and ensuring it integrated

properly with Elektroskandia's ERP system would have been a mammoth task.

"The high cost and substantial length of time needed for a re-write of this sophisticated application, together with the risk to the business of a new, untried implementation, led us to seek a lower cost and safer solution," reports Karen.

THE SOLUTION

The alternative option was to migrate the application to a more cost-effective platform using software to emulate the necessary aspects of the mainframe environment. Elektroskandia began exploring this lower cost approach and Micro Focus was tasked with the migration to a Microsoft Windows Server environment using Micro Focus Studio and Micro Focus Server.

MigrationWare, a strategic Micro Focus partner, was brought in by Micro Focus to assist with the migration and opted to emulate the ISPF software, enabling the Central Warehouse Management System to function in the new environment without changing the ISPF infrastructure. A tool was also developed to convert the dashboards from the application for viewing in the new environment.

"MigrationWare's emulation solution of the IBM ISPF online environment enabled Elektroskandia to continue to use the Central Warehouse Management System with no perceptible change to the users

"The migration of Elektroskandia's Central Warehouse Management System was necessitated by the need to move off the outdated mainframe environment. The migration to a Windows Server environment not only allowed us to retain vital intellectual property within the application, but also reduce annual operating costs by 65 percent."

Karen Kruger,
CIO, Elektroskandia

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“The Central Warehouse Management System continues to operate as it did previously without Elektroskandia having to create or purchase a new system. Not only has this kept our costs to a minimum, but impact on the user community has also been avoided.”

Karen Kruger,
CIO, Elektroskandia

of the application,” says Mark Cooper, Managing Director of MigrationWare.

The solution involved migrating the application and its IBM DB2 database to Windows Server and Microsoft SQL Server. Micro Focus Studio was used for the development on Windows Server and Micro Focus Server provided the runtime environment.

THE RESULT

The most important benefit resulting from the migration was the ability to decommission the mainframe. This delivered a massive 65 percent reduction in the annual cost of the warehouse management solution. Running the application on Windows also meant that the cost of future mainframe upgrades was eliminated, maintenance costs were dramatically reduced and developer skills became much more accessible.

The state-of-the-art facilities in Micro Focus Studio have raised developer productivity significantly. Compiling is faster and the testing tools are more effective in the new environment. Changes to the software can now be made quickly, resulting in greatly increased responsiveness to new business needs.

The Windows Server environment also provides operational benefits. SQL Server provides faster access than the mainframe database and practical tasks, like the printing of labels and documentation for items in the warehouse, are also easier in a Windows environment.

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Karen. “Not only has this kept our costs to a minimum, but impact on the user community has also been avoided.”

THE FUTURE

With the application now on a Windows Server platform, Elektroskandia has ready access to the wealth of Windows software available from Microsoft and third party providers to extend the functionality of the warehouse solution. In addition, the company can take full advantage of the highly competitive commodity hardware market for future platform upgrades.

ABOUT MICRO FOCUS

Micro Focus, a member of the FTSE 250, provides innovative software that allows companies to dramatically improve the business value of their enterprise applications. Micro Focus Enterprise Application Modernization and Management software enables customers’ business applications to respond rapidly to market changes and embrace modern architectures with reduced cost and risk.

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