

The sky's the limit on VPI Flooring's success with SPSI laying the groundwork

Overview

- **IBM Business Partner:**
Systems & Programming Solutions Inc. (SPSI), an IBM Premier Business Partner and technology solutions integration expert
- **Customer:**
VPI Flooring, a leader in the flooring business for more than 55 years
- **PartnerWorld offerings:**
*Technical support
Certifications*



Growth is through the roof at VPI Flooring, a leader in the flooring business for 55 years. With sales growth estimated at more than triple the industry average, the company that pioneered static control flooring attributes its strength to a new focus on innovation. Today, this is born out not only in new product designs, but also by industry-leading use of on demand technology deployed with help from IBM Premier Business Partner Systems & Programming Solutions Inc. (SPSI).

VPI Flooring is among the first in its industry to use the Web as a tool to better manage and grow its business. Earlier this year, the company launched an IBM-based extranet known as KwikServ. Designed and deployed by SPSI, the solution is one piece of an overarching strategy to help VPI Flooring better meet customer's demands and grow its business through strategic, innovative use of technology.

The solution for VPI is built on the IBM @server™ iSeries and includes IBM WebSphere Application Server Express along with WebSphere Host Access Transformation Services (HATS). Integrated with VPI Flooring's legacy ERP solution, the extranet streamlines business processes inside the mid-sized company, automates ordering and improves the division's responsiveness to distributors that support thousands of dealers marketing VPI Flooring

products in North America, Europe and Asia. These dealers are the chief channel through which VPI Flooring products are distributed to architects, contractors and builders.

Distributors now can sign onto KwikServ and receive just that – quick service. Inventory can be searched online and orders can be placed, revised and tracked through KwikServ. The ability to revise and, essentially, add onto existing orders was critical to VPI Flooring since, in order to get the best price, distributors often buy in large volumes.

Sky's the limit

SPSI's IBM-based solution, says Jeremy Williams, general manager of VPI Flooring, is on demand, self-service at its best. In the past, transactions were handled manually by customer service staff who responded to distributor inquiries exclusively by phone or e-mail. Orders were faxed and inventory checks were phone-based. Now distributors can do business with VPI Flooring anytime and anyplace with access to the Web.

Since KwikServ was launched, VPI Flooring has reduced the administrative workload of its Customer Service staff by up to 85 percent. These agents have been redeployed to work on inside sales and new customer recruitment, and there seems to be no ceiling to the division's success.

"We are growing about 300 percent faster than the industry average," says Stephanie Gustafson, manager, Marketing for VPI. "And, a significant portion of that growth can be attributed to greater efficiency in our

inside sales activities." Order sizes have increased among all distributors – large and small – as it is now easier and faster to obtain the requisite flooring products. Manufacturing processes are also more efficient as the division has a more consolidated view of customer requirements and can gear up operations for specific products in a more just-in-time manner.

"I have no doubt that this technology will drive our business up substantially," says Williams. He goes on to add, "We service and supply products to some really big players in the industry and after demonstrating KwikServ to them they describe it as really cool and fantastic...it's great when your customers use words like that to describe things you do for them."

New branding initiative

VPI Flooring began working with SPSI after the division's new management, led by Williams, reassessed how it was doing business and sought to use technology and the Web to improve processes, increase efficiency and grow the business. The division was also launching a new branding initiative, entering new markets such as health care, education and sports. These complement the division's existing electronics and general construction markets.

In conjunction with new branding, VPI was also launching new products to widen its breadth of offerings into these new markets. New products include rubber and vinyl flooring, premium resilient tile (PRT) and commercial resilient tile (CRT), which received the 2004 Most Innovative Product Award at the prestigious

Surfaces Show held every year at Las Vegas. Other new products include updated static control flooring and wall base, and a range of flooring accessories, including stair treads and risers.

"The business processes supporting commerce with our distributors were very fragmented and left a lot of room for improvement in responsiveness to our customers," says Williams. "If we were to expand into new markets, we needed a more efficient way to support this growth."

In selecting a technology partner, VPI Flooring sought a firm that demonstrated a clear understanding of the business issues challenging the company and how technology could help address those issues. "We came at this project fervently committed to e-commerce," explains Williams. "But we wanted to reinvent our processes, not just move from paper to electronic."

That's exactly what SPSI is helping VPI Flooring achieve in a multiphase implementation. According to Tim Casey, the principle consultant working with VPI Flooring, SPSI is helping its client "knit together" the front- and back-end of an e-commerce system that simplifies – for the company and for the distributors who order millions of dollars in products from VPI Flooring each year.

KwikServ is phase one of the project. Phase two, which is in development now, will be known as "KwikRespond" and is a Java-based solution to automate lead management and the management of flooring samples requested by non-distributors. SPSI has teamed with IBM Premier

Business Partner eOneGroup, an ISV, to develop and deploy KwikRespond. A future implementation will also enable distributors to connect with a freight tracking system that can identify the exact location of materials ordered anytime. The manufacturer is also considering wireless technology for a warehouse and distribution application.

“VPI Flooring thinks and acts like an innovator, and its use of technology demonstrates this mindset,” says Wayne Adams, manager, SPSI. “They knew where they wanted to go, and they knew that IBM technology could help support their objectives.”

Shared values

If you talk with Williams, he'll tell you that his confidence in the division's technology plan derives from its confidence in SPSI and IBM, and the values shared among the three companies. SPSI's dedication to its clients' success is clear along with IBM's commitment to helping enable that success. Technical support provided by IBM illustrates IBM's commitment to SPSI and its client. In deploying the extranet, SPSI proposed a newly enhanced version of HATS. “IBM couldn't have been more supportive in helping us get this solution deployed the way we knew it would work best,” notes Casey. “So, if investment is any indication, I'd say IBM is deeply committed to its Business Partners' and its clients' success.”

IBM's investment in the IBM Express portfolio as well as in a multitude of IBM PartnerWorld offerings are also illustrative of IBM's commitment to Business Partners and clients. “The Express offerings are ideal for SMBs

like VPI Flooring and make it more affordable to deliver on demand solutions to clients with the flexibility and all of the functionality they want,” says Casey. “Whereas PartnerWorld offerings like technical support and certifications that build and enhance skills enable us to win new business and partner with clients like VPI Flooring.”

Indeed, a “true partnership” is how Williams characterizes VPI's relationship with SPSI. “We think very much alike, we speak the same language and they understand how to get us where we want to go,” says Williams. “We wanted a long-term partner and one that would make an investment in our success – that's been SPSI.”

For more information about IBM PartnerWorld visit ibm.com/partnerworld and to learn more about SPSI go to www.spsinet.com.



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