

CLOUD-BASED

ERP Solves

A WORLD OF CHALLENGES

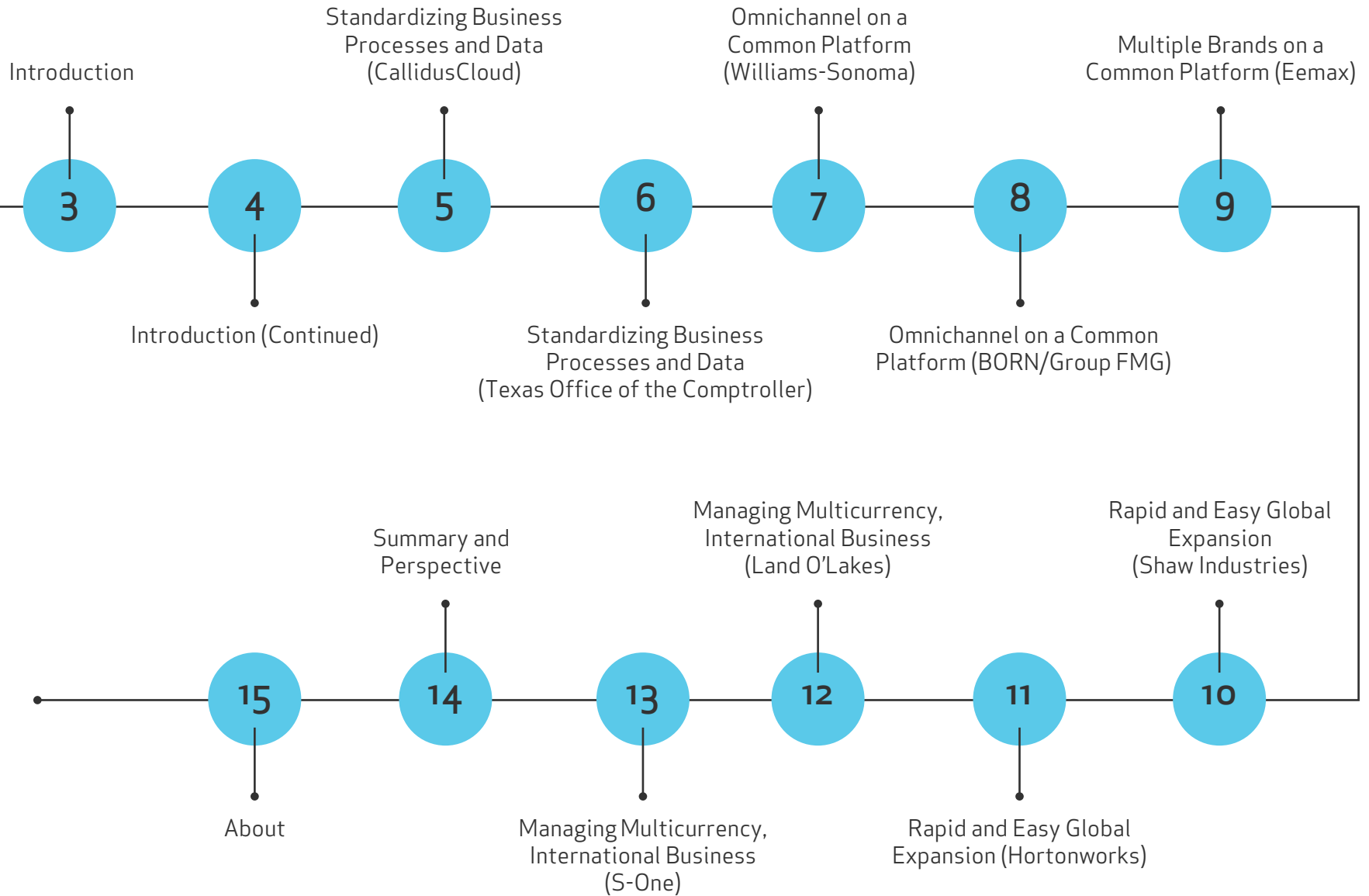
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Introduction



It can be easy to think of information technology (IT) as a highly complex, overly demanding and recklessly evolving aspect of modern business. Ironically, however, much of the complexity and labor intensity companies currently experience with their IT solutions has resulted because the companies haven't kept pace with the rapid evolution of technology. For example, no one would claim that having data spread across discrete application silos is a good thing, or that using spreadsheets to keep track of financial and operational data is the most efficient or effective way to run a business. Likewise, many IT and business managers understand the numerous cost and operational benefits that cloud-based IT solutions can deliver.

Despite this common understanding, it often takes some "trigger" to force companies to break free from the status quo and modernize their IT solutions. A new business demand or some other catalyst can suddenly expose legacy systems that had been "good enough" as serious obstacles to future success. Growing numbers of companies faced with such business catalysts are turning to NetSuite OneWorld, a cloud-based enterprise resource planning (ERP) solution that addresses some of the most critical business operations and needs. OneWorld's holistic array of ERP services permits companies to standardize their core operations on a modern and easily configurable platform. In addition to ensuring that all its applications have access to accurate, up-to-date and consistent

ERP Upgrade Triggers

Several common triggers cause companies to evaluate and deploy cloud-based ERP solutions, including the following:

- **Mergers & Acquisitions:** New company units often bring with them IT applications and databases that are difficult to maintain or integrate.
- **Divestitures:** Business units spun off from a parent company often need to get up and running quickly with their own, independent IT solutions.
- **Adding New Products and/or Markets:** Legacy ERP systems or spreadsheet-based operations can struggle to accommodate companies as they diversify into new product categories or new geographic markets.
- **Adding New Channels:** Companies attempting to add new sales and distribution channels such as ecommerce can struggle to do so quickly and cost effectively with legacy systems.
- **Going Public:** Fast-growing companies considering an initial public offering often find that their existing IT systems can't accommodate their growth and can demand excessive attention from an overburdened finance department.

Introduction

(Continued)



financial and operational data, OneWorld also offers a variety of capabilities specifically designed to help companies sell and operate across multiple entities and international markets in our ever-shrinking world.

By using a cloud-based, software-as-a-service (SaaS) delivery model, NetSuite OneWorld delivers a variety of benefits compared to on-premises ERP solutions. Those cloud benefits range from rapid deployment to significant reductions in both capital and operational expenses. Most importantly, the integrated collection of OneWorld modules provides a proven way to address the challenges posed by a variety of business triggers. The box at right shows some of the catalysts that prompted customers to migrate to OneWorld-based solutions.

The examples that follow illustrate some of the actual challenges that legacy ERP solutions couldn't meet. The examples are placed within five broad categories of benefits that NetSuite OneWorld customers realized after deploying the cloud-based solution.

NetSuite OneWorld Illustrative Customer Benefit Examples

- Standardizing Business Processes and Data ([CallidusCloud](#))
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Standardizing Business Processes and Data



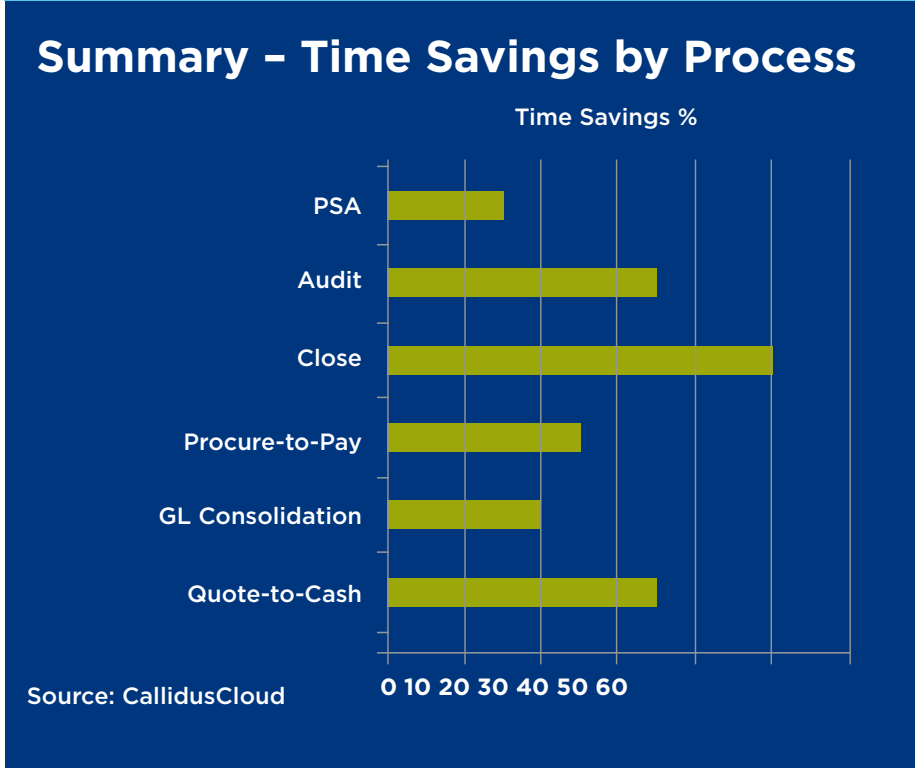
CallidusCloud

CallidusCloud sells sales performance, marketing and other sales-effectiveness software to more than 3,700 customers. The Pleasanton, California-based company has eight subsidiaries across Europe, Asia, India and the Americas; employs about 750 people; and earned revenues of \$136.6 million in 2014. As it grew, CallidusCloud found itself with 14 distinct and poorly integrated business applications, resulting in an “IT nightmare” according to the company’s CIO. In addition to posing compliance, backup and other challenges, the software patchwork was causing high costs and delays in the company’s merger and acquisition activities. By consolidating this fragmented software environment with a multifaceted NetSuite OneWorld solution, the company saved about \$250,000 each year on software licenses alone.

CallidusCloud performed an ROI and time-savings analysis of how its migration to the integrated NetSuite OneWorld affected nine core accounting processes, and the company found that it reduced the time required to complete six of the processes by 15% to 50% (Figure 1). The biggest time savings came in its financial close activity, where OneWorld’s automation reduced the process from 8 to 10 days to about 4 days. Two other processes—audit and quote-to-cash—each saw time savings of about 35%.

Trigger: Mergers & acquisitions process and growth impaired by patchwork of ERP applications

Figure 1: OneWorld-Driven Efficiencies at CallidusCloud



Standardizing Business Processes and Data



Texas Office of the Comptroller

Serving as the financial arm of the state government, the **Texas Office of the Comptroller** is a \$100 billion operation that oversees approximately \$17 billion in annual procurements by thousands of state and local agencies. About six years ago, the office “had the idea of creating an Amazon-like experience for our customers,” according to the Comptroller’s chief technology officer. To create a common and centralized purchasing portal for all of the state’s agencies, the Comptroller’s office turned to NetSuite OneWorld.

The Comptroller’s office first rolled out the portal, called TXSmartBuy, to the Department of Transportation, and it plans to gradually bring onboard all 200-plus state agencies. Procurement agents can go to the TXSmartBuy marketplace, select products, put them in shopping carts and order them, similar to any ecommerce site. The first users “were ecstatic about it,” says the CTO, as they were able to eliminate many double entries, increase their flexibility in delivery and billing, and realize other benefits. The CTO estimates that his office was able to deploy the cloud-based OneWorld system at least three times faster than it would have been able to deploy an on-premises solution.

The CTO of the State of Texas’ Comptroller’s office discusses how they are leveraging NetSuite to build an Amazon like site for their state contracts management.



Trigger: Adding a new web portal channel for agency purchases

TXSmartBuy Customers and Scope

- 220 state agencies
- 3,500 Local governments and school districts
- 2.4 million+ items in the system
- \$1 billion in sales to date

Texas CPA leverages NetSuite to drive ERP

TEXAS CPA VIDEO



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Omnichannel on a Common Platform



Williams-Sonoma

Williams-Sonoma has grown to become a \$4 billion retailer of goods through a combination of organic growth and both domestic and international acquisitions. The company has succeeded, in part, by offering its products through multiple channels, including brick-and-mortar stores, catalogs and ecommerce websites.

The company had never owned stores outside of the United States, but it decided to launch a full company-owned omnichannel program in Australia, including physical storefronts. Williams-Sonoma chose NetSuite OneWorld as the core platform to drive its Australian initiative. Over the course of 10 months, the company rolled out four brands, four retail sites and four websites—all on the OneWorld system.

“We needed something that was pixel perfect from the start,” says Williams-Sonoma’s CIO. “NetSuite OneWorld offers all the features and functionality we need and, in some ways, the offshore solutions are better than what we offer domestically.”

The cloud-based OneWorld solution allowed Williams-Sonoma to hit its time-to-market goals and to limit its risk exposure, letting the company focus its efforts on other areas. “The NetSuite people were professional and knowledgeable,” the CIO says. “They brought competence and confidence to the project.”

Trigger: Brand acquisitions and international expansion

“In the final hour of the project, you couldn’t tell the difference between a NetSuite person and a Williams-Sonoma person.”

– CIO, Williams-Sonoma

Williams-Sonoma at NetSuite SuiteWorld 2013

WILLIAMS-SONOMA VIDEO



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Listen to John Strain the CIO of Williams-Sonoma talk about their decision to choose NetSuite and how NetSuite is powering their global commerce.

Omnichannel on a Common Platform



Group FMG

In late 2014, **Group FMG**, a multichannel content and commerce company, merged with **Pod1** to form **BORN**. The combined companies operate across three continents, employ more than 470 people and represent more than 125 brands, including prestigious clients TAG Heuer, DKNY, Condé Nast and Harrods.

Prior to the merger, Group FMG's CEO—now CEO of the combined company—had turned to NetSuite OneWorld to serve as a single book of record to support omnichannel marketing campaigns that run across both traditional and new (i.e., social, mobile, ecommerce) channels. The integrated and comprehensive OneWorld solution also helped Group FMG avoid the risks of building many integration points between externally facing applications such as customer relationship management (CRM) and procurement and intra-enterprise applications such as ERP, finance and HR, according to the CEO.

Two or three years ago, the CEO explains, Group FMG saw a competitive landscape with more than 2,000 agencies promoting brands largely through old channels such as publishing, broadcast and point of sale. "We felt there were three new channels that were disrupting the world: social, mobile and ecommerce," the CEO says. Companies needed to be able to identify and track their customers regardless of which channels they used. "We advocate a single book of record for all," the CEO says. That's why we turned to NetSuite.

Trigger: Need for a single book of record for multiple channels

"There's really no such thing as B2B or B2C, as the duality of these two worlds is being eroded. It's really B2B2C."

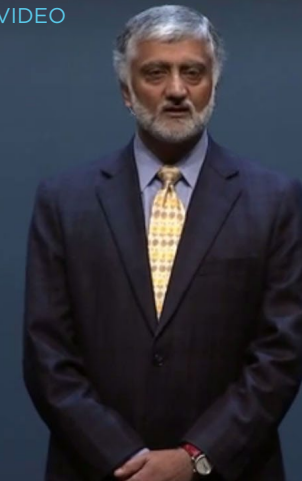
– CEO, BORN

Group FMG Embraces NetSuite for Next-Generation Omnichannel Commerce

GROUP FMG EMBRACES VIDEO



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Listen to Dilip Keshu, Group FMG CEO explain how they are delivering a truly seamless omnichannel experience integrated with ERP, OMS and CRM systems with one book of record.

Multiple Brands on a Common Platform



Burdened with a legacy accounting system that couldn't handle its rapid growth, and also looking to add a new brand to its business portfolio, **Eemax** deployed NetSuite OneWorld in 2010. The leading supplier of tankless water heater systems in the United States, the \$30 to \$40 million company now sells Eemax brand commercial-grade products through the plumbing supply channel, and it sells EcoSmart brand consumer products through retail outlets such as Home Depot.

In addition to OneWorld's ability to support multiple brands on a common ERP platform, Eemax—which has 80 to 90 employees but no IT staff—also appreciated OneWorld's cloud-based deployment model. "Integration is easy, training is easy, and just the speed at which we would start up was remarkable," says Eemax's CFO. "Any on-premises solution was one headache after another."

The OneWorld solution has helped Eemax cut its financial close period from about five days down to one or two, and the solution has also cut its lead times nearly in half. In addition, the company has had "plenty of positive feedback from its biggest customers," according to the CFO.

Eemax

Trigger: Acquisitions and support for multiple channels

"Our company has probably grown 40% since we got NetSuite, but we've got the same number of people processing AR and AP transactions."

- CFO, Eemax

Eemax profile

- The leading supplier of tankless water systems
- Eemax and EcoSmart managed as two separate brands
- NetSuite Impact:
 - Financial close from 5 days down to 1-2 days
 - 2-3 day lead times reduced by 1 day
 - 40% company growth with no increase in AR & AP staff
 - Easy data access increased sales efficiency
 - Cloud model permits employees at acquired company to remain in place

Rapid and Easy Global Expansion



Shaw Industries

Dalton, Georgia-based **Shaw Industries** turned to NetSuite OneWorld to support the launch and operations of a new manufacturing facility in Nantong, China, in early 2013. Shaw—the world’s largest manufacturer of carpets and a major supplier of hard-surface floor coverings—employs about 23,000 people and earns more than \$4 billion in annual revenue. Rather than extend its domestic legacy IT systems overseas, Shaw selected OneWorld for the new China plant because the cloud-based solution didn’t require a large local IT staff, could handle multiple languages and currencies, and could be brought online quickly.

Although Shaw didn’t anticipate having to integrate OneWorld with other IT systems, that expectation “lasted about 20 minutes,” says the manager of the company’s IS Strategic Planning Group. Shaw now transfers sales orders, purchase orders and customer data from its Salesforce.com system to OneWorld and distributes OneWorld data to other systems via a TIBCO enterprise service bus. “We’ve been very pleasantly surprised with the ease of integration with NetSuite,” the manager says.

Today, the NetSuite OneWorld system for the Nantong plant is tracking all of Shaw’s financials for the Asia-Pacific region, which encompasses 11 subsidiary operations. The cloud-based solution is also serving as the template for Shaw’s facilities in other countries.

Trigger: International expansion to support new manufacturing facility

“With NetSuite, we can take a customer order, fulfill, ship and bill all in a single day.”

– Manager of IS Strategic Planning Group, Shaw Industries

Shaw Carpets Bets on NetSuite to Power International Expansion

SHAW CARPETS BETS VIDEO



[CLICK HERE](#)



The CIO of Shaw carpets discusses the motivation to choose NetSuite to support their international manufacturing expansion into China.

Rapid and Easy Global Expansion



Hortonworks

Hortonworks sells big-data software solutions and services based on the Hadoop open source codebase. Founded in 2011, the Palo Alto, California-based firm grew rapidly to more than 300 employees and annual revenues approaching \$100 million, leading to an initial public offering in December 2014. The company operates in about 20 states as well as in several overseas markets, and its rapid growth both domestically and internationally outstripped the capabilities of its former financial software solution.

“NetSuite is so scalable that it has been able to keep pace with our growth and, with OneWorld, gives us the international capabilities we need, such as managing exchange rates and consolidating financials,” says the director of finance operations at Hortonworks. The ability to do “effortless” consolidated rollup across multiple countries and currencies has allowed the finance department to keep its headcount down. To accomplish what OneWorld does automatically, “we’d need to double or triple our accounting staff,” says the finance director.

Trigger: International expansion, rapid growth, IPO

“Our ability to scale, tweak and grow with the business is just amazing.”

- Director of Finance Operations, Hortonworks.

Hortonworks profile

- Hadoop-based big data products and services
- Went public in December 2014
- NetSuite Impact:
 - Financial close from 3 weeks to 3-4 days
 - Revenue recognition efficiency eliminates need for two additional people
 - One person able to handle multicurrency conversion & rollups, vs. 2-3 people

Managing Multicurrency, International Business



Land O'Lakes

Land O'Lakes is a \$14 billion diversified manufacturer of consumer goods and agricultural products, including its self-named dairy products and the Purina Mills brand of animal nutrition offerings. The company is aggressively and innovatively expanding into new product sectors and geographical markets, both on its own and via joint ventures with its partners. Land O'Lakes turned to NetSuite OneWorld to help it manage this growth strategy while minimizing its risks. "We didn't want to invest millions of dollars to try things out," explains the company's CIO. "We got NetSuite in quickly and efficiently, at a fraction of the time it would have taken us to implement some of the other packages."

"Before we entered these markets, we evaluated a number of packages," says the CIO. "None could deliver the functionality and capabilities we needed at the price point we wanted to achieve going into those markets except for OneWorld."

OneWorld's support for different languages and currencies has proven critical to Land O'Lakes' ability to rapidly enter the emerging markets it is targeting. The cloud-based solution has also "given us functionality that we couldn't build ourselves," says the CIO, "such as enabling ERP to be available on mobile devices and providing integrated CRM capabilities."

Trigger: Expansion into new markets

"NetSuite OneWorld absolutely gives us the ability to be flexible and innovative in certain areas where we can experiment and try new things."

- CIO, Land O'Lakes

Land O'Lakes and the Cloud: How NetSuite Helps Land O'Lakes Grow Their Business

OMNICHANNEL VIDEO



[CLICK HERE](#)

See how the NetSuite cloud business management solution is helping Land O'Lakes enter new markets, expand their business and manage exceptional growth.

Managing Multicurrency, International Business



S-One

S-One—a Sarasota, Florida-based holding company with five wholesale and distribution firms under its umbrella—has 15 distribution centers in the United States, employs more than 150 people and earns more than \$75 million in annual revenues. The companies under S-One sell printers, ink, paper and other supplies to customers in 22 different countries. After one of its firms, Brand Management Group, installed a NetSuite ERP solution in 2012, S-One decided to deploy OneWorld as the standard platform across all of its companies—a process that is now nearly complete.

S-One needed a common ERP foundation in part to simplify and speed intercompany information flows, which were suffering due to the prior patchwork of IT systems within each company. With its extensive international operations, however, S-One has also benefited from OneWorld’s multicurrency and rollup capabilities. The ease of customizing OneWorld and integrating it with other systems—including with UPS for shipments and transportation—has also paid dividends.

“We previously had 7 to 10 temps working here just because of the inefficiencies we had with managing different currencies, interfacing with UPS and other issues,” says S-One’s software development manager. “Now, with NetSuite running, we have just one temp left.”

Trigger: Acquisitions and global expansion

“Inter-company transfer accounting, for moving products between, say, our subsidiaries in Spain and Germany, takes about 10 seconds to run.”

– Software Development Manager, S-One

S-One profile

- Holding company for ABAQA, Avatrex, Brand Management Group, LexJet and Utopia Digital Technologies
- Operations in 22 countries
- NetSuite Impact:
 - Direct integration between NetSuite and UPS
 - Able to support and roll up 14 active currencies
 - Near-instantaneous intercompany transfer accounting
 - From 7-10 temp workers down to 1
 - Better supply chain management

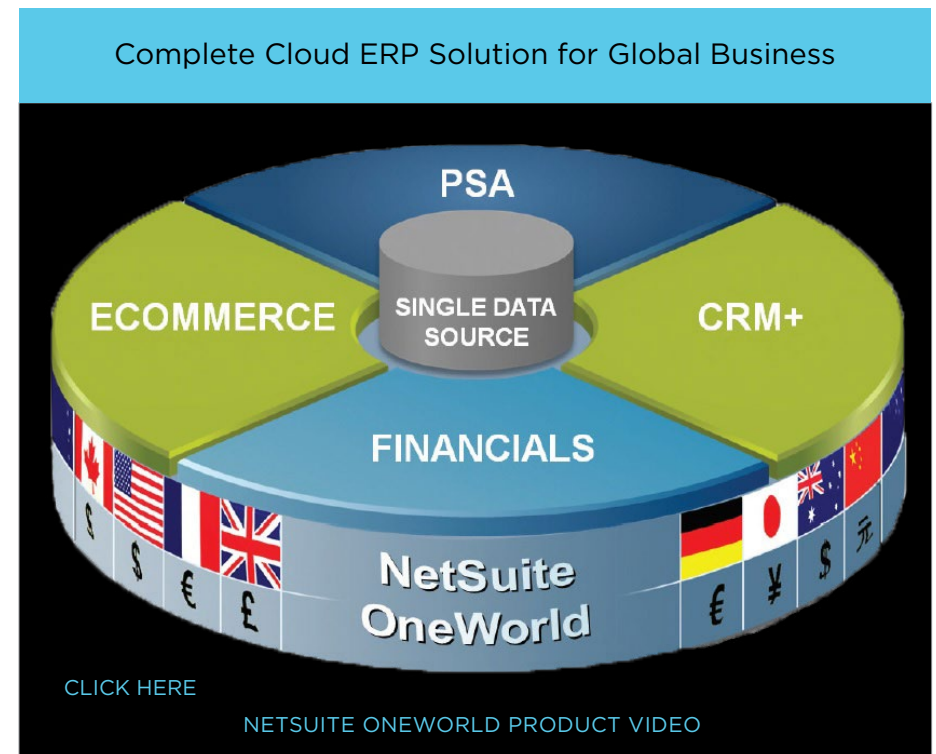
Summary and Perspective



As the previous descriptions of NetSuite OneWorld customers illustrate, a wide range of business drivers can lead companies to consider upgrading the solutions that support their core business operations. In practice, most companies are driven by a collection of business and technical needs—although a single challenge such as rapid growth or international expansion may provide the primary catalyst for modernizing their ERP solutions.

In the case of NetSuite OneWorld deployments, the benefits realized can directly affect an organization's ability to grow, to diversify and to adapt rapidly to constantly changing threats and opportunities. OneWorld's benefits derive largely from the business suite's ability to deliver a broad range of integrated functional modules that all share a common database. The suite's delivery as a cloud-based service also gives customers all of the benefits associated with this delivery model. Those cloud benefits range from reduced capital costs to anywhere/anytime access to limited IT staffing and management requirements.

Whatever the business triggers that motivate them, growing numbers of companies are discovering that NetSuite OneWorld can make their operations more efficient and effective and can make their businesses more successful. For further information, see [NetSuite OneWorld page](#).



About Us



SL Associates is a subsidiary of the SMB Group that focuses on technology adoption and trends in the midmarket and larger enterprise segments. SL Associates offers consulting and content development services to help clients:

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- Develop messaging and marketing assets that align with customer requirements
- Position solutions for growth and competitive advantage

SL Associates provides custom project services as a retainer to best meet client requirements.

For more information, please contact Lisa Lincoln, Director of Business Development at [508-734-5658](tel:508-734-5658).

