

# Profoss ERP Migrating from Closed to Open Source ERP Azur.be case study

### **Agenda**



#### Azur.be: this started 4 years ago

- Why did this project happen?
- Which functionality is covered?
- What are our lessons learned?

#### Integrations

- Azur.be examples
- Other cases

#### Looking back & ahead

Conclusions

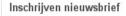
Q & A



## Providing context







Lees onze nieuwsbrief en blijf op de hoogte van het laatste nieuws.

Gob e-mailadres



#### Klanten getuigen

Dat was snel geleverd! lk wil jullie team zeker even bedanken! Dankzij de snelle afhandeling van mijn

Wendeline Wilms Studente

bestelling...



Meer Nieuwe boeken - Steeds met kortingen tot 25%! Terug Naar Siberie (heylen Martin), Harde Kaft azur prijs: €21,24 Adviesprijs: €24,99 Uw voordeel: € 3,75 \* Verlanglijstje NU KOPEN Voor 'Man Bijt Hond' reisde Martin in de winter van 2005 dwars door Siberië. Het toeval bracht hem in de huizen en de levens van gewone Russen. Een jaar later maakte hij dezelfde reis in volle zomer, ... Lees meer >

w Mijn winkelwagentje 0 producten €0 azur voordeel Bekijk Bestelling afronden Bevallen en baby's opvoeden Bekende sporters ▶ Pieter Aspe-special ▶ Chicklits vanaf 5,69 € Zwarte Beertjes vanaf 5,57 Top 5 - Azur.be

Sos Piet (huvsentruy...

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**MEDIOBIB** BLOG

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Dit is een B2B site. www. azur.be Particulieren, surf naar www.azur.be

>>klik hier<<

Home | DVD Video | DVD Music | Books NL | Books UK | CD-Rom | Games | Accessories | Language Tools | Business

Bienvenu: chez MedioEurope, le plus grand magasin multimedia du Benelux

#### 21 oktober 2008 - berichtgeving

Door een databaseprobleem op dinsdag 21 oktober 2008 zijn een aantal beschikbare artikels per vergissing van de website verwijderd .



#### DVD's

Alle promoties, nieuwe releases, collecties en selecties vindt u op onze DVD pagina Nieuwe promoties op onze handige collectie- en selectiepagina. Lees er meer over

Vanaf 22 oktober kunt u terug normaal bestellen. Onze verontschuldigingen hiervoor.



#### Muziekdvd's

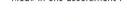
Deze DVD pagina bevat enkel muziekdyd's. Van klassiek tot populair. U vindt ze op onze

Muziek DVD - pagina

VIRTUELE ZICHTZENDING. Lees er meer over

Nieuwe releases, collecties en TV-series

Nieuw in ons assortiment :





#### Boeken

Ons aanbod Nederlandse en Engelse boeken

Het Vreemdtalig Boekenpakket is hier terug te vinden

Voor ons volledig aanbod Nederlandstalige boeken, promoties en selecties, ga naar onze Nederlandstalige boeken - pagina

Voor ons aanbod Engelstalige boeken, ga naar onze Engelse boeken - pagina



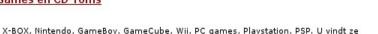
EXCLUSIEF!

Boek Op Verzoek (Printing On Demand) Wij laten voor u boeken drukken die niet meer verkrijgbaar zijn! Ja, ook één enkel exemplaar en dit aan de normale prijs en niet te onderscheiden van een "normaal" boek! Ontdek het titelaanbod (wordt dagelijks uitgebreid!) in onze afdeling Printing on Demand.

#### Games en software

Games en CD-roms

#### Languages Tools



De nieuwe Petit Robert nodig? Van Dale of Petit Larrousse, Netwerkversies en

#### **An E-commerce pioneer**



#### Azur.be & MedioEurope

- Azur = one of the biggest internetshops in the Benelux (B-2-C)
- MedioEurope = for libraries, government & companies (B-2-B)

#### Scalability was important from the beginning

- Database is now over 1.600 K articles (250K at start)
- Amount of transactions followed that growth rate

### **High-Level "As Is" Situation**

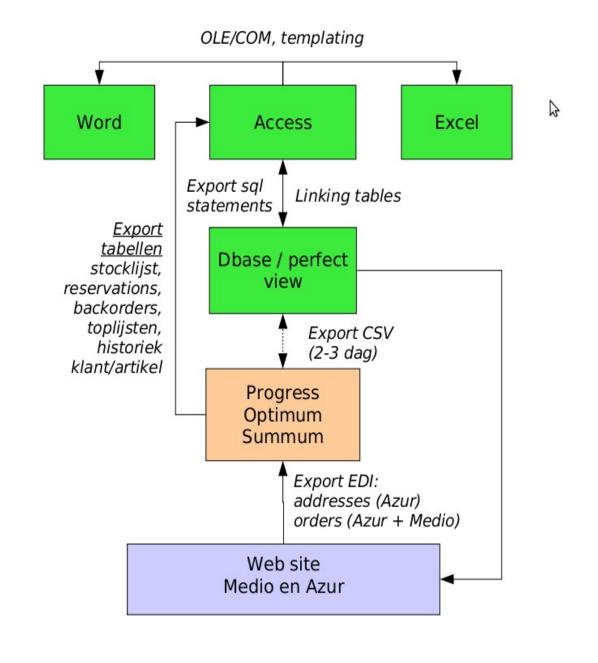


#### Technical overview

- Progress Software as Closed Source ERP
- MS Word, MS Excel, MS Acces as operational tools
- Dbase for article management

#### So-called Island situation

- No real integrated business application
- One-way link only between front-end & back-end



#### **Overview of existing issues**



#### **Business**

- No integrated ERP
- Lock-in situation with existing vendor

#### **Technical**

- Problems with article management
- Long upload times
- No link from ERP to website

#### Operational

- Manual overhead
- Variety of repetitive processes

### **Drivers and KPI for the project**



#### **Business**

- Escape recurrent license cost
- System integration

#### **Technical**

Bi-directional link between front-end & back-end

#### Operational

Extensive automation of business processes

#### **KPI**

- Reduce internal cost per transaction
- Handle increasing demand with existing resources



## Next step

#### Filling the gap



#### Analysis phase (functional & technical)

- Documenting existing workflows
- Prioritizing must-haves versus nice-to-haves
- Interview with key users

#### Selection of Open Source ERP applications

- Long-list
- Use of a product & requirements matrix to evaluate
- Scoring to reduce to a short-list

#### Long-list at the time

- ERP5
- Compiere
- OFBiz
- SQL-Ledger

#### And we choose...



#### SQL-Ledger

- Platform independent
- Webbased
- HTML / PDF templates
- Multi-language
- Extensible, REST like API for easy integration & automation

#### In 2008

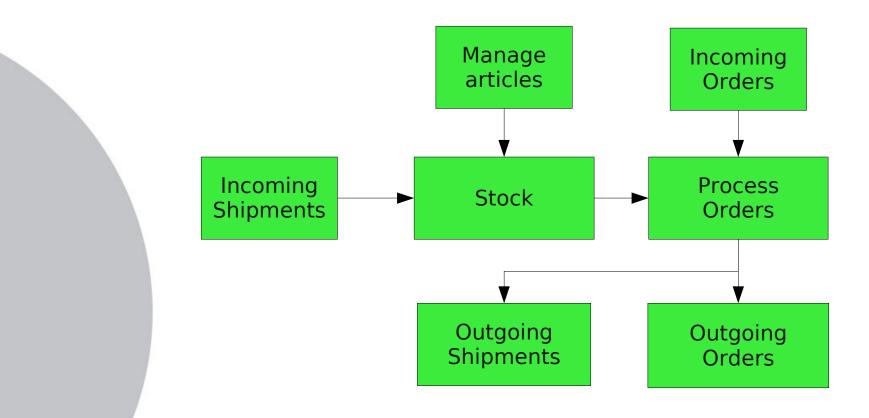
All 4 applications still exist ;-)



## Integrated workflows

#### **Functional decomposition**





### **Available functionality (not exhaustive)**



#### Financial management

- Accounting
- CODA & Isabel integration
- Ogone integration for credit card clearance

#### Oder management

- Processing incoming orders
- Automated ordering flow

#### Stock management

Pick lists

#### Article management

Flexible pricing handling

#### Clients & Supplier management

- B-2-B & B-2-C
- Budget automation



#### **Proces improvements (not exhaustive)**



#### Incoming goods

- Barcode scanning & RMA processing
- Stock & purchase orders are automatically updated
- RMA's are generated

#### Stock management

- Automatic Re-ordering Point
- Allocate storage location
- Automatic detection of not rotating articles

#### Article management

- Automated import profiles
- Cancellation of articles that are not supplied for a certain period

#### Shipments

- Based on a minimum amount (B-2-B)
- Triggered based on rule-sets





## Migrating

### **Project timeline**



#### December 2004

Selection of Think Wize as partner

#### January – February 2005

Analysis

#### March – May 2005

Implementation

#### June 2005

Testing & Training

#### July 1st 2005

Go Live

#### July - September 2005

Troubleshooting & Support



## Lessons learned

#### These are not Open Source specific



#### ERP projects need management support

And this does not stop with providing a budget

#### Analysis is not optional

Big part of project success lies in preparation

#### Involve end-user during the implementation

We use prototyping as a methodology

#### Some things will go wrong

Be realistic, this will bring extra pressure on the workfloor

#### Communication

Is key, also with external world



## Integrations

### Integrations: where value-add kicks in



#### ERP applications by nature need to integrate

- As central application they have data-streams to handle
- A strong need for integration is driven by the business

#### EAI, ESB, SOA....

Sure, adopting Open Standards will only help these trends



#### **Azur.be: "financial" integrations**



#### Isabel - technically

- Import-Export module
- Parsing of CODA(2) format

#### Isabel – business improvements

- Payments of suppliers are generated automatically
- Bookings are directly allocated based on bank statements

#### Ogone - technically

Ogone Batch

#### Ogone - business improvements

Reduce amount of manual transactions per payment

### Azur.be: "article" integrations



#### Import profiles - technically

- Mix of CSV & XML
- Parsing of external data
- Profile is created for each supplier

#### Import profiles – business improvements

- Enhance data integrity
- Allow more flexible application of business logic
- Run during night time, staging review only needed for exceptions

#### Order protocols - technically

- CSV
- Agreed FTP & e-mail transfers

#### Order protocols -business improvements

- On a daily basis orders are being send out to various suppliers
- Order management has a very high degree of automation



#### Azur.be: "services" integrations



Nagios - technically

Monitoring of 59 services

#### Nagios – business improvements

- Increased pro-activity
- Enhanced management of overall operations

#### Taxipost Pickup & Go - technically

Webservice

#### Taxipost Pickup & Go - business improvements

- Extra service for customers
- Increased business



#### Other integration cases



#### Integration with?

- MapInfo
- Professional (closed source) GIS application

#### Context of this case

- Customer is local market leader in outdoor advertising
- As an intermediate their key expertise is campaign planning
- Geo-marketing is one of their services

#### What did we do?

- Develop application to manage & report on billboards
- Integration of this application with MapInfo

#### Benefits of this integration?

- Visualisation of billboard data on MapInfo maps
- Selection on MapInfo maps links directly back to the database

## Car-Pass Other integration cases



#### Integration with?

- Car-Pass
- Central database application for car registration
- Goal is to prevent fraude with car mileage

#### Context of this case

- Customer is a local carrossier
- Requirement to report this data & mention on invoices

#### What did we do?

Integrate SQL-Ledger with Car-Pass

#### Benefits of this integration?

Re-use of available data

### **AutoCAD** Other integration cases



#### Integration with?

- AutoCAD
- Professional (closed source) CAD application

#### Context of this case

- Customer in automotive industry
- Web-based application to manage roof loads for a production facility

#### What did we do?

- Import of over 4.000 AutoCAD files on original data import
- Make an integration between both applications

#### Benefits of this integration?

- Adding an element in the database also writes it to AutoCAD-file
- In AutoCAD, clicking on a beam opens relevant data in the web app



# What happened over a period of 5 years?

### **Open Source ERP: some changes...**



#### Business applications were not considered

- Focus was on infrastructure, desktop, virtualisation...
- Early adopters (like Azur.be) took it on-board
- This event showcases it is mainstreaming

#### Consolidation & diversification

- Closed source vendors consolidated
- Open Source ERP projects diversified
- Customer playfield did become bigger (SME's)

#### Professional – Commercial Open Source

- VC-funding for Compiere & OpenBravo
- Community-driven projects also thrive
- Clear intrest & demand proove there is place in the market



## Some trends

#### What is changing now?



#### Web-technology has an impact

- On user interaction with our applications
- On business models (SaaS-offerings)

#### Open Source ERP adoption

- Keeps growing
- Is taken on-board by a more diverse audience

#### Open Source ERP projects

- Remain attractive for open source developers
- Are working on breaking down that final frontier

#### Size of ERP projects

Become smaller

#### **Our conclusions**



#### Importance of the integrator

- Team & expertise are key criteria
- Complement this with a strong management support

#### Added value over feature count

- Most important is value for your specific business case
- Consider this as an investment and not as a cost



## Q & A