SVS Veterinary Supplies makes ordering easy using IBM WebSphere middleware on Linux

Overview

- ### The Challenge
  Veterinary supplies company SVS was interested in updating its phone and fax ordering systems for its customer base of more than 500 veterinary practices across New Zealand. The company wanted to implement an automated, web-based solution that would allow busy vets to quickly check stock availability and place orders.

- ### The Solution
  IBM® Business Partner† Certus designed a solution for SVS that enables vets to view and order stock using their existing VetLink software packages. The vets' software is integrated with SVS's existing systems using a high-availability message processing hub that includes IBM WebSphere® Application Server, IBM WebSphere Business Integration Message Broker, IBM WebSphere MQ and DB2®, all running on Red Hat Linux™.

- ### The Benefits
  Making it easier, faster and more efficient for vets to do business with SVS has given the company a competitive differentiator. For SVS, the scalable, re-usable solution removes the need for costly changes to legacy systems. In addiotion to saving time it is simple for the solo IT administrator to manage.

About SVS

Since 1987, veterinary product wholesaler SVS has provided prescription animal health products to New Zealand veterinary practices. SVS went national in 2000. The company employs 36 staff with just one dedicated IT administrator. A small five-person call centre in Christchurch deals with orders and enquiries for the national operation. SVS has branches at Hamilton and Palmerston North and a head office in Christchurch.

Dialling the dollars away

With major competition vying for a share of the lucrative veterinary supplies market in New Zealand, SVS needed to implement a system that made doing business with it easier than the rest. The company was concerned that other suppliers might beat it to market with a similar service and gain valuable market share.

"New Zealand is a large primary industry producer with more than 600 veterinary practices," said Phil Bladgen, IT Systems Manager at SVS. "There is definitely money in the market but we are not the only ones out there chasing it."

Roughly 80 per cent of SVS's orders were submitted by phone and 20 per cent by fax. Before calling SVS, vets needed to generate purchase orders in their own systems and print them out. Time spent doing paperwork or on the phone meant less time for vets to attend to their core business of healing animals and more time spent by SVS staff answering calls, checking stock availability and manually entering orders.

"It was taking up to 10 minutes on the phone before orders were faxed to the warehouse for processing. This time-consuming system was one of the vets' major gripes," said Bladgen.

Phone orders could result in mistakes due to miscommunication or data entry errors by call centre staff, such as keying in the wrong product code.

"Verbally relaying information meant responsibility for order accuracy always fell to our staff," said Blagden. "There was no way to work out where mistakes had originated if the wrong product turned up."

Vets had no way of finding out which products SVS had in stock. This resulted in stock management complications such as back orders and delays. The company needed a central repository for stock information that could be used across the business, and viewed by vets online. And, with just one IT worker, the solution needed to be robust and easy to manage.

A best-in-show solution
IBM Business Partner[†] Certus designed a solution called Vetchannel that uses IBM Websphere products to connect software used by vets with SVS's product database.

> *"Our customers did not want to be told how to work. This way, they can do everything they need without having to leave VetLink, the most popular software package for vets."*
> – Phil Bladgen, IT Systems Manager at SVS

The project involved opening SVS's Acumen database to allow clients to access it over the Web. Using Vetchannel, which is based on an IBM WebSphere Application Server hosted by Certus, vets can raise a purchase order as they normally would, then simply hit a button to sent it. IBM's WebSphere Business Integration Message Broker technology transforms purchase orders into a format SVS's database can understand and returns up-to-date stock availability and pricing information to the vet.

"All details returned through Vetchannel are customer specific and dependent on what is available from the vets' supplying SVS branch," said Blagden. "The system re-uses information entered once by SVS staff to whip up dynamically-generated web pages on bonus stock and current promotions."

The solution also gives vets reliable 24-hour access.

"They have more options with Vetchannel. For instance, they can add to a purchase order all day and simply send it through when they are done," said Blagden. "Once they press 'send', orders print out in our warehouse 60 seconds later."

Vetchannel uses IBM WebSphere Application Server, IBM WebSphere Business Integration Message Broker, IBM WebSphere MQ and IBM DB2, all running on Red Hat Linux.

IBM's range of middleware for Linux offers businesses of any size a portfolio of software to help gain a competitive edge. Everything from databases, web software, collaboration software, administrative and development tools and systems management – IBM offers proven, secure, flexible software optimised to run on Linux and designed to provide a lower total cost of ownership.

Vetchannel shifts more stock with less effort

Since Vetchannel's implementation in September 2005, SVS has experienced an increase in business fuelled by a surge in online orders, a trend Blagden believes will continue.

"Some key clients have made a 100 per cent commitment to us as their wholesale supplier, whereas they previously split their business between us and the competition. As more vets appreciate the upsides of having more time in their working day, we hope preferred supplier status will increasingly flow through," said Blagden.

Better visibility of stock levels has greatly decreased the number of back orders. Now that SVS has an easy way to inform customers of bonus stock and promotional offers, stock turnover has also improved.

Vetchannel customers are now responsible for verifying their own purchase orders online, which has reduced the ratio of returned goods.

"That grey area is gone now if the wrong product turns up, or it's at a price they weren't expecting," Blagden said.

As SVS's only IT worker, Blagden is confident the new systems will remain manageable. "We've only had one issue and restarting the server solved it," he said. "This solution provided all the smarts and availability for us that we didn't have a hope of doing here in-house," he added.

Expanding market reach

Commonly used veterinary software package VetLink is currently the only software package compatible with Vetchannel. However, by the end of 2006, SVS plans bring another two or three popular software packages online with Vetchannel, further reducing the number of customers who order by phone.

"We will have 90 per cent of the software packages out there talking to our Vetchannel product," Blagden said.

Blagden also plans to re-launch the company website in the near future, using the same IBM messaging technology.

"The IBM package has given us a lot of flexibility, it will also be easier for us to open up another branch, if we need to, or another distribution point. It's a completely scalable solution – that's the beauty of it."

– Phil Bladgen, IT Systems Manager at SVS

For more information

Please call **132 426** in Australia or
0800 801 800 in New Zealand.