



IBM Customer Reference

KB Toys

Synopsis:

Large U.S. toy retail chain optimizes processes and cuts costs for the back office and 1,300 stores by developing a new Web application on DB2 UDB Enterprise Edition and Linux

Location:

Pittsfield, Massachusetts USA

Industry:

Retail

Focus Area:

e-business infrastructure, Small & Medium Business

URL:

<http://www.kbtoys.com>

Customer Background:

KB Toys is the largest combined mall-based and online specialty toy retailer in the US. It operates more than 1,300 stores distributed throughout all 50 U.S. states, the District of Columbia, the American Territory of Guam and the Commonwealth of Puerto Rico. The company also offers online shopping at both KBToys.com and eToys.

Business Need:

KB Toys' back office lacked an efficient way to gather sales and inventory information from its 1,300 retail locations. As a result, accounting, cost and inventory control processes often were delayed and incomplete. To optimize its back office processes, the company needed to enable automated transmission of this data on a daily basis.

KB Toys aimed to develop a Web application that would be flexible and easy to use to accommodate the quickly changing product stock and sales trends. The company wanted to leverage its existing mainframe and database while keeping costs low - both in the development and maintenance of the application.

Solution:

KB Toys decided to build its Web application on DB2 UDB Enterprise Edition Version 7.2 and SuSE Linux Version 2.4.19. The company created a Linux partition on its IBM mainframe, installing an instance of DB2 to communicate with the DB2 database running on OS/390. The application builds on an existing 360 Commerce system, serving as the front end connection for the mainframe's backend transaction engine. Data is transmitted using XML over the company intranet, and is then parsed and stored on the Linux partition. Select store data is migrated from DB2 on Linux to DB2 on OS/390. The system stores transaction level data for 30 days. As a result, sales information is immediately available to administrators in the main office, and easily accessible to individual stores, as well. The application also facilitates credit authorization processes for store employees. Approximately 500 employees rely on the automated system.

Benefits of the Solution:

A better view of sales and inventory throughout its network of stores will save KB Toys hundreds of thousands of dollars per year once the solution is rolled out to all 1,300 stores. It will also give the KB Toys finance personnel quick, easy access to data needed for pricing analyses. By choosing DB2 for the distributed platform, KB Toys was able to leverage in-house expertise with a robust, versatile database while keeping costs low. Linux contributes even more to the cost savings, and gives the company the flexibility to combine older platforms with cutting-edge technology.