

Borland enjoys cost savings by focusing on core competencies



Borland®

In the past 21 years, Borland has been simplifying the process of developing world-class software for companies to capitalise on new business opportunities and to help them improve their bottom lines. The company has more than 1,300 employees in 29 countries delivering 24x7 enterprise support services to their customers.

In the early 1980s, the enterprise-class software development pioneer was well known for launching Turbo Pascal®, an innovation that made the commercial development of PC applications possible. Today Borland serves 97 percent of Fortune 2000 companies as one of the most trusted names in enterprise software.

For the business groups at Borland, generating and delivering high quality software is essential to customer satisfaction and success. Preparing new software for duplicating, kitting and shipping on demand is a supply-chain challenge to Borland whose core competency is in software development.

To grow market share, Borland approached HP for software and publishing services to achieve efficient and cost-effective management of product fulfillment, from manufacturing and inventory control to order administration and distribution.

Borland's supply chain challenge leads it to outsource to HP

In the software publishing industry, delivering software faster and more efficiently than competitors is crucial to success. To meet this challenge, Borland needed a single point of contact to manage their global supply chain and delivery model.



It also needed to shorten their multi-lingual development cycle and reduce the likelihood of internal bugs and errors. In addition to this, the company's inventory management also presented challenges. In North America and Asia Pacific, Borland struggled to fulfill their customers' orders quickly without holding excess inventory. In Asia Pacific, Borland needed to ship their products from the region instead of the United States. To beat the competition, they needed to reduce their turnaround time from five to seven days to next day delivery.

"In this business, lead times are very demanding," said Mr. Ng Chieng We, Borland Asia Pacific Logistics and Manufacturing Manager. "Our customers' orders need to be executed fast because they don't know what their competition is developing and how soon they will take their new application to market so every second counts."

In addition to the challenges of diverse Asian markets and the need to localise products, Borland also needed a solution to meet the demand for high quality, just-in-time manufacturing of their products.

HP's end-to-end solution

When HP was engaged to solve Borland's global supply chain and delivery challenges, HP leveraged on years of experience in deploying successful channel and distribution solutions across different industries to develop and implement a global solution for Borland.

In Asia Pacific, HP and Borland project teams deployed an electronic software distribution (ESD) system and re-engineered Borland's regional supply chain.

As part of HP's solution, on-demand, just-in-time manufacturing activities for Asia Pacific customers are



also carried out and distributed from Singapore instead of the United States and Japan. This resulted in an immediate cost savings of around 20 percent of total operational cost.

Today products for the Asia Pacific market are localised and shipped from Singapore. As a result, Borland's customers who had previously received their orders in five to seven days can now expect to take delivery either on the same day or the next business day.

HP also developed a web portal so that managers can track the status of their orders. In Japan, where Borland derives 50% of its Asia Pacific revenue, this resulted in a consolidation of suppliers from three to one. A Japanese HP account team also ensured that Borland Japan's local business needs are met for this key market.

In addition, HP has also applied its IT expertise to managing Borland's global supply chain, manufacturing, printing, media replication, product life cycle and distribution of customers' software kits.

By outsourcing their non-core operations such as distribution and manufacturing to HP, Borland Asia Pacific is now realising an annual cost savings of around US\$250,000.

Into the future with HP

Moving forward, HP will be exploring with Borland on ways to help them improve efficiency and reduce operating costs through HP's Business Process Outsourcing (BPO) services that include human resources, full finance and accounting services, helpdesk support as well as IT infrastructure maintenance.

Challenges

- Re-engineer Borland's global supply chain to meet growing demands for just-in-time manufacturing and diverse needs of Asia Pacific customers
- Establish a single point of contact for supplier management to enhance efficiency and lower total cost of ownership

Solutions

- Supply chain management consulting services
- Electronic Software Distribution (ESD)
- Web portal for tracking orders
- HP's global supply chain infrastructure in US, EMEA and Asia Pacific

Benefits

- Annual cost savings of around US\$250,000
- Faster time to market, from seven days to same or next day delivery in Asia Pacific

To learn more about HP's outsourcing offerings for software publishers, please visit www.hp.com/hps/supply/

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