

SHI and AGCO

Using SAP® Ariba® Solutions to Drive Win-Win E-Commerce Results

SHI International Corp. is a multibillion-dollar global provider of technology products and services and is the largest Minority and Women-Owned Business Enterprise (MWBE) in the United States. SHI delivers innovative, custom IT solutions supporting all missioncritical computing requirements to corporate, enterprise, public sector, and academic clients worldwide. Through the SHI Cloud, the company provides high-performance, next-generation infrastructure as a service (IaaS) to help customers accelerate to the cloud rapidly, securely, and efficiently. SHI specializes in helping organizations manage their assets, streamline their operations, and maximize their IT investments.

AGCO Corp. is a leading global manufacturer of agricultural equipment offering a full line of tractors, combines, hay tools, sprayers, and forage and tillage equipment distributed through 2,800 independent dealers and distributors in more than 140 countries. Sold through the Challenger, Fendt, Massey Ferguson, and Valtra brands, AGCO's diverse product line, combined with its technological solutions and global reach, helps customers not only survive but thrive by enabling them to meet the high demands of today's changing landscape.

"SAP Ariba solutions enable a seamless transaction with SHI, which saves AGCO time and money."

Eric Deese,
Purchasing Analyst,
AGCO Corp.

The Challenge

- SHI wanted to connect more efficiently with AGCO and other customers through a single, centralized interface
 - Setting up and maintaining multiple point-to-point relationships through EDI, fax, phone, e-mail, print, mail, and stand-alone Web catalogs was costly and time-consuming
- AGCO's disparate legacy enterprise resource planning systems made control of indirect purchasing difficult in many cases
 - Lack of spend visibility resulted in missed savings opportunities
 - Nonautomated invoicing processes required AGCO staff to manually enter data, driving up costs and error rates

The Solution

- SHI began transacting on the Ariba® Network in 1999, gradually expanding to support SAP® Ariba solutions customers throughout Europe, Asia Pacific, and North America
 - Added multiple capabilities including order and catalog collaboration, Level 1 and Level 2 of the PunchOut feature, invoice collaboration, and CIF catalogs
 - Joined the Ariba Ready Platinum program* to validate e-commerce expertise, enhancing the ability to serve as a trusted technology advisor to customers
 - SAP Ariba solution functionality is integrated through the SHI Procurement System (SHIPS)

- Offers customizable features like multilingual support, approval routing, integration to advanced procurement platforms, and hardware configuration tools that align easily with clients' preferred ways of doing business
- AGCO started using Ariba Network along with the SAP Ariba Sourcing, SAP Ariba Contracts, SAP Ariba Spend Analysis, and SAP Ariba Supplier Information and Performance Management solutions to conduct e-commerce across all five of its North American locations in 2010, adding the SAP Ariba Buying and Invoicing solution in 2011

The Connection

- SHI and AGCO began conducting business over Ariba Network in 2010, implementing online ordering, Level 1 of the PunchOut feature, and e-invoicing
 - Rapid testing cycle enabled SHI to quickly meet all AGCO requirements and help ensure a seamless, on-time go-live
 - SAP Ariba solutions' ease of use combined with SHI's knowledge of AGCO's IT infrastructure and catalog requirements helped accelerate the integration process
- SHI works closely with AGCO to ensure optimal results through SAP Ariba solutions
 - Dedicated SHI account team representatives provide noncatalog quotes and assist in the ordering process, while SAP Ariba solutions provide the electronic connection for ordering and invoicing
 - Direct access to a SHI applications support manager and support team plus regular Live Meetings and instructional Webinars help drive collaboration and ensure AGCO e-commerce success

The Results

- Using SAP Ariba solutions to establish a single, centralized e-commerce platform for transactions has delivered major benefits for both companies
 - No- or low-touch orders in SAP Ariba solutions save time and resources, enabling SHI to focus on strategic initiatives that drive business value and revenue with AGCO and other customers
 - Increased spend visibility and the ability to unify indirect purchasing have helped AGCO cut IT procurement costs and negotiate better supply agreements
- Automated matching of POs and invoices simplifies accounts payable management, reduces errors, and expedites payment
 - AGCO invoice processing time has decreased by six hours

- Direct access to the SHI e-commerce portal makes it easy for AGCO to source and purchase needed products
 - A customized catalog and continually updated list of top selling products enhances the AGCO buying experience
 - More than 85% of catalog visits now result in an order
- Improved efficiency and visibility have strengthened the relationship and led to higher sales
 - Within 10 months after launch, SHI added 12 manufacturers to AGCO's catalog and realized 100% revenue growth
 - Ability to easily expand SHI product lines to meet changing IT needs helps AGCO control user spend and increase compliance
 - AGCO plans to grow SHI purchasing volume even more to boost spend management success through SAP Ariba solutions

Commerce Cloud Features SHI

- Ariba Network
- Ariba Ready Platinum program*
- Online catalog functionality in SAP Ariba solutions
- Level 1 and Level 2 of the PunchOut feature available in SAP Ariba solutions
- E-invoicing in SAP Ariba solutions

AGCO

- Ariba Network
- SAP Ariba Sourcing
- SAP Ariba Contracts
- SAP Ariba Spend Analysis
- SAP Ariba Buying and Invoicing
- SAP Ariba Supplier Information and Performance Management

About SAP Ariba Solutions

Industry-leading, cloud-based SAP Ariba solutions combine with the world's largest Web-based trading community to help companies discover and collaborate with a global network of partners. Using the Ariba® Network, businesses of all sizes can connect to their trading partners anywhere, at any time, from any application or device to buy, sell, and manage their cash more efficiently and effectively than ever before. Companies around the world use the Ariba Network to simplify interenterprise commerce and enhance the results that they deliver. Join them at www.ariba.com.

"Thanks to streamlined e-commerce powered by SAP Ariba solutions, SHI and AGCO have saved considerable resources, allowing both organizations to dedicate extra time to exceeding our customers' expectations every single day."

John D'Aquila, Applications Support Manager, SHI International Corp.

*No longer available as an individual offering, but some features may have been rolled into other SAP Ariba offerings.