SIMON & SCHUSTER REDUCES IT BUDGET AND IMPROVES BUSINESS OPERATIONS WITH NEO SUITE AND FUJITSU SOFTWARE NETCOBOL.

Publishing giant Simon & Schuster was founded in 1924 and its operations have evolved over the decades. The publisher decided to port its mainframe applications to Windows Server® and the Microsoft .NET Framework®.

Saying Dave Schaeffer has a challenging job is an understatement. Simon & Schuster's Vice President of Distribution and Fulfillment oversees the publisher's distribution of 262 million books annually —amounting to 1.9 million orders and 5,000 tractortrailer truckloads of books each year. If these trucks were parked end to end, it would cover the length of highway from the business's Philadelphia-based location to New York City.



CLIENT

Simon & Schuster



INDUSTRY

Publishing



CHALLENGE

Migrate off the mainframe while preserving existing applications



SOLUTION

GT Software's NeoSuite

Fujitsu Software NetCOBOL



CHALLENGE

This is just a part of what Schaeffer handles at the publisher. He must also stay updated on any and all challenges taking place with his colleagues who manage the company in a consumer-driven industry.

"If an author does well on '60 Minutes,' we get a sudden rush of orders that has to be fulfilled immediately. That's just a small example of what we call 'extreme publishing,' reducing the cycle time for every aspect of publishing, from authoring to getting the published book into the customer's hands," Schaeffer explained. "Processes that used to happen once a day now have to happen several times a day. That not only requires doing things faster, it requires doing them differently—such as integrating our order processes with those of our customers on one end, and our distribution processes with those of our distribution partners on the other end."

The publisher's mainframe included applications with five million lines of code and data stored on DB/2 databases and virtual storage access method files. These systems were not designed to support the type of agility Simon & Schuster needed from its IT solutions.

Schaeffer explained that shipping books on an on-demand basis was simply not feasible given that the universal order processing system only allowed morning and midday shipments. The time for batch processing cycles to finish increased as demand grew, with some processes exceeding 12 hours.

SOLUTION

Anne Lloyd Davies, Chief Information Officer at Simon & Schuster, said a UNIX-based solution would have necessitated code re-engineering that was costly. The publisher also considered an ERP system, but that was simply too expensive.

Simon & Schuster decided that Fujitsu Software NetCOBOL, distributed by GT Software, and GT Software's NeoKicks® were the most cost-effective options.

These tools allowed the publisher to preserve traditional business logic by porting existing applications to native Microsoft .NET code. This process would allow Simon & Schuster to preserve the original business logic, written in CICS/COBOL, that was familiar to end-users.



"If an author does well on '60 Minutes,' we get a sudden rush of orders that has to be fulfilled immediately. That's just a small example of what we call 'extreme publishing,' reducing the cycle time for every aspect of publishing, from authoring to getting the published book into the customer's hands,"

-Dave Schaeffer,

VP of Distribution and Fulfillment



Simon & Schuster also migrated its DB/2 database and VSAM files to Microsoft SQL Server 2005 database software. The ported solutions were run by a 32-bit, eight-processor Unisys ES7000 system running Windows Server 2003 Enterprise Edition.

RESULTS

Simon & Schuster's decision to use NeoKicks and Fujitsu Software NetCOBOL paid off for the publisher. Since porting its UOPS and related system to Windows Server, the company saw:

- Business agility improved by 300%
- Reduction in shipping backlog by 33%, from three days to two
- The quarter-end financial close period cut from three days to one and a half days
- The firm's IT budget reduced by 11%
- Nightly batch processing window cut in half
- IT trouble tickets cut by 75%

Michael J. Grant, Vice President of Applications Development at Simon & Schuster, estimated the publisher saved as much as 80% in costs over expanding the mainframe or rewriting the solutions for UNIX.

Finally, Simon & Schuster experienced faster trouble ticket processing time, reducing such tasks by 75% and boosting order fulfillment completion from minutes to seconds.

Simon & Schuster has been in business for over 90 years, and like the publishing industry, the company has evolved. The new Windows Server and the Microsoft .NET Framework have positioned the publisher to remain a leader in its respective market.

"Processes that used to happen once a day now have to happen several times a day. That not only requires doing things faster, it requires doing them differently,"

-Dave Schaeffer

VP of Distribution and Fulfillment







ABOUT

GT Software (www.gtsoftware.com) turns yesterday's legacy systems into tomorrow's leading edge applications. Its solutions help organizations extend the value of their IT investments through agile development and standards-based APIs, which improves workflow and enhances operational efficiency. Masters of application modernization and a global distributor of the Fujitsu NetCOBOL compiler, GT Software's proven solutions power mainframe integration with today's technologies. Currently, more than 2,500 organizations globally trust GT Software's solutions to ensure they are able to drive forward innovation that improves customer experiences, increases operational efficiency, and generates revenue.

