Oldcastle Architectural Embraces Covast for Accelerated EDI

About Oldcastle Architectural:

Owned by the Irish company CRH, Oldcastle Architectural is one of five US operating divisions of Oldcastle. Oldcastle Architectural manufactures pavers, stepping stones, edgers and concrete block. The division has clay brick and bagged concrete units, and produces bagged stone, such as limestone or sand. In short, the company mixes sand, gravel and cement and delivers these materials either in a block or in a bag.

Oldcastle Architectural has annual revenues of $1.2 billion a year and 4,000 employees. With 160 locations spread across the US as well as the provinces of Quebec and Ontario in Canada, the company serves primarily large home improvement stores and general retailers for the home. Home Depot, Lowe's and Wal-Mart are some of Oldcastle Architectural's largest customers. In addition, because the company serves the construction industry, Oldcastle's plants do extensive business with distributors and contractors.

The electronic data interchange (EDI) solution that Oldcastle has deployed using the Covast EDI Accelerator and Microsoft BizTalk Server enables the company to support its large, retail customer base. Oldcastle became a Covast customer in October of 2002 and is using the EDI Accelerator in conjunction with BizTalk Server 2002.

The decision to go with Covast was fairly straightforward for Oldcastle when the company made the switch to the Axapta ERP product from Microsoft Business Solutions. "Oldcastle needed to add integration capabilities to this solution and chose Microsoft BizTalk Server to do this," said Jerry Kottelenberg, CIO, Oldcastle Architectural. "Microsoft in turn recommended Covast for EDI, which of course sits on top of BizTalk Server. Once we implemented the Covast EDI Accelerator, we had a plant up and operational in six weeks."

Keeping Business Running During the Upgrade

In order to accommodate plants that have not switched over to the new Microsoft and Covast technology, Oldcastle has had to implement some creative tactics to keep EDI running. Kottelenberg's team defined business rules in Covast that determine what plant an order is going to and whether that plant is on the old ERP system. Based on the defined business rules, Microsoft routes the order automatically to plants that rely on the legacy ERP system. "When a plant has migrated to the new Axapta system, we change the business rule so that the order is sent to Axapta," said Kottelenberg.

Oldcastle's Axapta ERP system is housed in a Sprint data center, enabling Oldcastle to run Frame Relay to all of its 160 locations. Twenty plants are currently online in this capacity. On the EDI side, a dual-processor box runs both Microsoft BizTalk Server and the Covast EDI Accelerator. That box feeds the servers that run the ERP software. The EDI team at Oldcastle consists of three people responsible for pulling orders in, processing them into the software, and getting them up to the plant level. The team handles the processing of orders every day. As Oldcastle brings on more plants, the EDI team brings the customers associated with each plant on to the system.

Productivity Increases

While the decision to go with Covast and Microsoft required a technological platform change due to the new ERP system, the solution has delivered performance gains and productivity increases. Oldcastle Architectural can now do twice as much with the same resources. "The neat story about this is that the team has doubled its workload this year, but with the Covast and BizTalk solution in place they are not spending any more time handling orders than they used to," said Kottelenberg. "The system has enabled the team to be significantly more productive and we have saved by not having to add any additional manpower."

EDI and XML Transactions in One Integrated Solution

Oldcastle Architectural deals with between fifteen and twenty EDI partners. Prior to the Covast and Microsoft solution, the company used Gentran software from Sterling Commerce. "When we made the decision to go with the new ERP package, Axapta, we wanted to be positioned to handle any type of transaction, be it EDI or XML," explained Kottelenberg. The ability to handle both EDI and XML transactions in one integrated solution meets the business needs of Oldcastle Architectural and enables the company to handle all types of orders sent by any of their large home center customers.

Oldcastle can receive orders from value-added networks (VANs), and also take orders from the Internet using AS2 (Applicability Statement 2). AS2 is the standard by which applications securely communicate EDI or XML data over the Internet. "We wanted to have technology that was up-to-date and cutting-edge," continued Kottelenberg. One large retail customer wanted to adopt AS2 to carry on Internet commerce with Oldcastle. "In two days, we were able to have them up and running," said Kottelenberg. "They were pretty impressed that it was that quick."

The Covast Solution Adds Flexibility

Oldcastle Architectural was in search of a solution that could accommodate the hybrid systems deployed within the company. There are two accounting systems in place at Oldcastle, and the company continues to grow through acquisitions. The systems used by the acquired companies must be consolidated. "With Covast and BizTalk, we are able to have the flexibility of communicating and switching partners over by using shared folders to bridge to other users' systems," said John Faeth, EDI Manager, Oldcastle Architectural.

The EDI Team can archive documents, re-send orders, and perform routine tasks without being at the mercy of a VAN. Additionally, instead of entering orders manually, the EDI Team can push out the responsibility of order capture to Oldcastle's dispatchers at various locations across the country. Using the web interface, dispatchers can now enter orders directly into Covast and the orders go out to the ERP system via the BizTalk Server.

"We are able to go to our trading partners now and offer them options for ordering from us," said Faeth. "Rather than offer them a VAN and an ID, we can now say that we can do AS2. The system has allowed us flexibility in terms of the way we are capable of handling orders and invoices that come in as EDI documents, XML documents and other document formats."

Because Covast and BizTalk have significantly reduced turnaround time at Oldcastle Architectural, the system has enabled the company to increase on-time delivery of products to their customers. According to Faeth, this improvement is because the system gives the EDI Team at Oldcastle the ability to control orders better. "The decision to go with Covast and BizTalk has worked out very well for us. It has given us a lot of flexibility and it has been seamless to our customers," said Faeth. "We couldn't have done what we are doing now without the solution."

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