

Sara Lee Chicago Video Case Study – May 2009



George Chappelle: *(Super: Chief Supply Chain Officer for North America, Sara Lee)* Sara Lee is a thirteen billion dollar food and beverage company.

Steven Merry: We have somewhere close to 45,000 employees worldwide. *(Super: Chief Information Officer, Sara Lee)* HP are absolutely central to our service delivery model. The SAP application solution is run worldwide.

George Chappelle: HP runs the infrastructure that enables us to take orders from our customers, invoice our customers, and in effect do everything from make to move and supply our products.

Richard Newman: *(Super: Account Executive, Hewlett-Packard Company)* Sara Lee is in the middle of a very large global transformation, a project touching all parts of IT. In the last six months, HP and Sara Lee jointly upgraded the platform, the data center environment, and at the same time upgraded the SAP versions that they were running for their business.

Steven Merry: There was no slack in the schedule anywhere.

Richard Newman: So the go-live itself actually took place on a Friday, Saturday, Sunday. It was pretty stressful. The aim really was for us to feel the stress and the business to not see anything at all.

Steven Merry: And time passes and — and nothing's coming out and there's no noise, and people — the business is hardly aware of it. The senior executives of this company, "Well, what happened? Did — I thought you were doing the upgrade this weekend." "Well, we've done it. You're running on it; you're operating on it. It's fine." We got a lot of congratulations about that; I was very, very pleased.

George Chappelle: We were able to take what was a normal business weekend, upgrade the system to the latest release, and continually ship product straight through the weekend. In fact it was one of our bigger-volume weekends, when that upgrade was done.

Steven Merry: I expect, because we're giving them something in the win/win relationship, in that we're giving them a long-term relationship, continuing opportunities to grow their — their business with us, I expect the value-add coming back in return. And that's reflected in my overall IT costs. You're talking the best part of \$80 million change in

four years, reduction. HP's contribution to that would have been significant, probably in the region of 50 to 60 percent of that as a result of working with them.

Richard Newman: Virtually every Sara Lee business user will use something hosted, managed or run by HP. It could be somebody out in the field, taking an order using handheld devices, processing it.

Rodney Beauford: *(Super: Route Sales Representative, Sara Lee)* This allows me to track every piece that's on my truck, all the inventory, so I won't be over it or short. There's less paperwork we have to do, and the customer actually signs off on this.

Steven Merry: We need proof of delivery to tie the whole thing up. So they sign on the handheld; that immediately triggers a transmission to our data center. It gets attached to the invoice information, and back to our accounts receivables people, who then are immediately alerted.

Melissa Hart: *(Super: Zone Administrative Assistant, Sara Lee)* So now, with the SAP enhancement program, I can go in there and it is the signature copy. I'm able just to be here at my office, be able to retrieve the invoice and send it. It's — I mean, it's so much easier for me; it saves me a lot of time.

Steven Merry: That process used to take several weeks, believe it or not, in the old batch system, to actually get that proof.

Rodney Beauford: It's a lot faster and a lot neater; a lot simpler.

Steven Merry: I expect Hewlett-Packard to be among the best in terms of the hardware, those capabilities; the innovation that goes with — with that. The continuous improvement; faster, cheaper, more effective. Over the 30 years — 40 years — I've worked with them probably, on and off, they — they continually deliver to those expectations. They continually do that.

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