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PROFILE

ABSOF T Customer Success Story

SAP System Upgrades



The John Cotton Group

“This upgrade has delivered a stable and future-proof SAP solution that will support our business as it grows both operationally and geographically through acquisition. I am a satisfied customer of Absoft, and I would recommend them to anyone contemplating an upgrade.”

Chris Earl – Group IT Manager, John Cotton Group



Customer Background

John Cotton Group is Europe’s leading manufacturer of duvets, pillows and mattress protectors. Founded in 1916 and still owned by the Cotton family, the company has an annual turnover in excess of £90m. The company currently runs two main divisions: one supplying quilts, pillows and sleeping bags to leading retailers; and the other producing non-woven textiles for use in mattresses, etc.



As a marketing-led organisation, John Cotton Group invests over £500k every year in new products, marketing and packaging development. With a true commitment to innovation, the marketing team continually tracks and monitors changes in the marketplace, and carries out extensive research into consumers and their bedding needs. Refining the John Cotton product portfolio and educating the consumer is a non-stop process that provides the company with a distinct competitive advantage.

John Cotton Group’s SAP Systems

The company first implemented SAP in 1999. Today it is used for sales and distribution, materials management and finance, and runs in a Windows 2003 / HP / Oracle environment. All systems are located at Mirfield in West Yorkshire, where most of John Cotton Group’s manufacturing takes place.



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ABSOFT Customer Success Story

Absoft's Relationship with John Cotton Group

In 2004, John Cotton Group took the decision to enlist a new external partner to provide SAP support. More attentive and responsive service was required, and it was felt that the company's previous SAP Service Partner was more geared towards assisting very large organisations.

Absoft proved that it had the specialist skills needed to support business critical SAP operations. It also demonstrated that it could deliver the commitment, consistency and flexibility of service required, at a competitive rate. Impressed by the fact that in 15 years the company had never lost a support customer to a competitor, John Cotton signed a "bronze level" support contract.

Absoft's service operates as a second line of support to John Cotton Group's own SAP support team. The internal team deals with day to day queries from users, and more serious problems are passed on to Absoft for resolution. As well as giving John Cotton access to Absoft's dedicated SAP Support Centre for an agreed number of hours per month, the contract provides for:

- on-call support at weekends when required;
- support hours to be used for system and application development, as well as for resolving problems.

System Upgrade Requirements

In late 2006, John Cotton Group were still running the long established SAP R/3, version 4.0b. With a new generation of SAP ERP products now available, Absoft and SAP worked with the company to put together a business case for upgrading. To make the transition as smooth as possible, it was decided that the project should be purely a "technical upgrade" – i.e., without any functional enhancement.

Absoft's Involvement

By now John Cotton Group's relationship with Absoft was well established. It was a natural step to single-source from Absoft, who, on receiving the formal go-ahead, constructed a project plan.

One of the main goals of the plan was to minimise the impact of the upgrade project in terms of demands on John Cotton staff and resources. Furthermore, the timing of the project had to accommodate an upgrade of system hardware. This called for special flexibility on Absoft's part. Instead of the norm for a project of this type – 13 weeks – an alternative plan running from January to June 2007 was put in place to accommodate John Cotton's special requirements.

A Simpler Contractual Arrangement

Prior to the upgrade project, John Cotton Group had maintained separate contracts and relationships with SAP and with its SAP Service Partner (latterly Absoft). To provide the best possible deal, SAP and Absoft collaborated to restructure John Cotton's licence agreement so that the company would now be a customer of Absoft (as an SAP reseller) instead of SAP directly. The benefits? One relationship, one deal (covering software licence, upgrade effort, maintenance and support), a simpler arrangement and reduced costs.

“Our company was moving from a big service provider, and Absoft gave us the reassurance that we would be important to them. They offered us a good match with what we needed – particularly in terms of proactivity, flexibility and quality – and excellent value, which was crucial”

Chris Earl – Group IT Manager, John Cotton Group



Scale and Functionality of the System

John Cotton Group’s SAP system embraces a broad and fully integrated range of functionality, including finance, sales, logistics and warehousing. Currently with around 100 users, the new system provides greater scope for growth than its predecessor. Just as importantly, it places the company in a much improved position for proactive business development projects such as company acquisitions.

Delivery on Time, on Budget

Following completion of the upgrade on time and on budget, the changeover from the old system was carried out over a June weekend. The changeover was entirely successful, and on “go-live” day all users had full access to the system ahead of schedule and with minimal disruption to the business.

One important feature of the changeover was the use of the Internet and remote access tools complementing Absoft’s presence onsite. Final testing and handover of the upgraded system were achieved by two Absoft staff collaborating with the John Cotton team in Mirfield, while the upgrade procedure itself was conducted remotely by the Absoft Basis team in Aberdeen. Appropriate use of remote access is one example of how Absoft actively seeks to deliver extra value to its customers.

Post-upgrade Services – Continuing Support and Development

Since completion of the upgrade, John Cotton has continued to enjoy a high level of application and system support from Absoft. Reflecting the deepening of the relationship between the two companies, the support contract has now been extended by a further three years.

Confident that its new SAP system will fully support its acquisition and growth programme, John Cotton is also keen to extend the reach of the system into new areas of the business. Absoft’s knowledge of the full gamut of SAP functionality will be invaluable in facilitating John Cotton to select those developments that promise the greatest improvements to the business. And being attuned to the company’s strategy and ways of doing business will enable Absoft to plan and implement the system extensions as cost-effectively as possible.

“Absoft deliver the full package you’d expect, with a more personal approach than bigger service providers. They also look outside of the box and offer more value than you were expecting.”

Chris Earl – Group IT Manager, John Cotton Group

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Business Benefits

Running the latest release of SAP's ERP software has brought with it numerous benefits, including:

- a more user-friendly working environment (based on the latest SAP graphical user interface);
- a greatly extended set of options for adding new functionality to the system;
- more flexible and better formatted reporting facilities;
- a system management regime that is both easier to use and more flexible

At a more profound level, the new system also provides greater scope for business development, in terms of both:

- a future-proof ability to provide the functionality the business needs...
- ...and potential for strategic leaps such as establishing new overseas operations or acquiring other businesses. (This potential stems from SAP's comprehensive multi-country tax and legal compliance).

The changed contractual relationship referred to earlier has also provided John Cotton with distinct bonuses – namely:

- significant savings in SAP-related costs;
- the benefit of having a single point of contact (with Absoft), instead of having separate deals and relationships with an SAP Service Partner and SAP itself.

The immediate benefit of the upgrade project, however, follows directly from achievement of the main objective: greatly reduced technical risk, as a consequence of no longer relying on an unsupported version of SAP.

“You come to expect all sorts of teething incidents when IT changes are made. But the day we went live on the SAP upgrade, nobody noticed. It was the perfect anti-climax!”

David Mein – Financial Director, John Cotton Group

For further information call Absoft Ltd on 01224 707088