



SHEELA FOAM DOUBLES SYSTEM PERFORMANCE, SLASHES COSTS, AND REDUCES PROCESSING TIME BY 25% WITH TO RED HAT ENTERPRISE LINUX ON INTEL

FAST FACTS

Company	Sheela Foam
Industry	Manufacturing
Geography	India
Business challenge	To reduce dependence on UNIX systems, improve cost-efficiency ratio, simplify systems management, and improve scalability for business growth
Software	Red Hat Enterprise Linux 5 and Oracle DB
Hardware	Dell 2950 PowerEdge server, Intel Quad Core Xeon-based E5410 x 2 (dual CPU) processors
Migration path	HP-UX/UNIX to Red Hat® Enterprise Linux® 5 on Intel Xeon-based Dell PowerEdge server
Benefits	Eliminated vendor lock-in, doubled system performance, slashed costs by one-tenth—a cost savings of over Rs. 40 lakh (USD \$83,333), and gained the ability to independently manage systems



BACKGROUND

A US \$200 million group and an ISO 9001:2000 company, Sheela Foam is the largest manufacturer of flexible polyurethane foam (PU) in India. The company ranks among the top five PU foam manufacturing companies in the Asia-Pacific region. In India, the firm has ten manufacturing units, supported through a distribution network of over 70 distributors and 3,000 dealers. The firm also has a presence in Australia, with five manufacturing units located in five major cities. A combination of manufacturing excellence and distribution network has enabled the company to capture over 40% of the Indian PU foam market share.

BUSINESS CHALLENGE

Sheela Foam had previously developed Greatplus, its own custom enterprise resource planning application (ERP) based on Oracle and HP-UX, to automate its entire production process, from procurement to production. The custom-built ERP is integrated into Sheela Foam's distribution network of 70 distributors and 3,000 dealers. The firm also used an innovative SMS-based tracking system that helps the company to accurately track and maintain inventory at the location of its distributors and dealers.

With every dispatch made by the company to the dealer, an SMS message is sent to the distributor about the stock dispatched to him.

In this process, every transaction made by the more than 1,500 users worldwide each day was recorded by the ERP system. While the self-constructed ERP system helped Sheela Foam to boost customer confidence, it also meant that the costly system had to be available 24x7. In an effort to improve its cost-value ratio, lower costs, and reduce vendor lock-in, Sheela Foam decided to evaluate a number of platforms, including those based on open source technology.

“As a company, we wanted to maximize the value gained from the support provided, as the support costs were too high and prevented us from scaling effectively,” said Pertish Mankotia, head of IT, Sheela Foam.

Sheela Foam's HP-UX system forced it to depend on a proprietary vendor to test and implement improvements, which made the process expensive to maintain and less effective.



Sheela Foam decided to adopt an open source solution after the company's HP-UX system went down and took more than 16 hours to recover. As a mission-critical system, any system downtime directly impacted the reputation of the company and in turn, sales and profits. The incident provided Sheela Foam the impetus to migrate to an open source solution that could be independently maintained by its own IT team.

"Today, I have complete peace of mind because Red Hat Enterprise Linux on our Intel Xeon-based Dell PowerEdge server has delivered stability, performance gains, and cost savings while providing the ability to scale to the rapidly growing demands of our organization."

-Pertish Mankotia, head of IT, Sheela Foam

SOLUTION

After evaluating a host of options, Sheela Foam consulted Red Hat Enterprise Linux partner Keen & Able Computers. Convinced about the value offered, the firm trusted the

market leader, Red Hat, and chose Red Hat Enterprise Linux 5 on an Intel Xeon processor-based Dell PowerEdge server. The preloaded Dell 2950 PowerEdge server made the migration and installation of Red Hat Enterprise Linux quick and easy. This meant that the system was ready to be tested and could be deployed immediately.

BENEFITS

Red Hat Enterprise Linux on an Intel Xeon-based Dell PowerEdge server has enabled the firm to deploy its ERP on a single server, compared to the two previously required servers, doubling system performance with no downtime. The Red Hat solution has also reduced the amount of time required for processing heavy reports by 25%. The reduction in servers and associated maintenance costs has translated to cost savings of over Rs. 40 lakh (USD 83,333). The firm now spends only Rs. 4 lakh (USD 8,333) per year compared to the more than Rs. 44 lakh (USD 91,667) on its previous UNIX system.

The Red Hat Enterprise Linux on Intel Xeon-based processors has doubled Sheela Foam's performance levels, significantly lowered costs, and has given it the ability to independently manage its systems. Today, Sheela Foam's IT team is able to make improvements rapidly with ease.

"Today I have complete peace of mind because the Red Hat Enterprise Linux on Intel Xeon processor-based Dell PowerEdge server system is known for its stability and is well-designed to scale to the rapidly growing demands of our organization. My only regret is that I did not start this earlier," said Mankotia.

The trusted Red Hat solution has given the Sheela Foam IT team the ability to focus on more strategic issues that can boost the competitiveness of the company.

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