

webMethods and Quixtar

Quixtar Enhances Supply Chain Management with webMethods Fabric



[Quixtar Inc.](#), a subsidiary of [Alticor Inc.](#), offers entrepreneurs the ability to have a Web-based business of their own. Since 1999, independent business owners powered by Quixtar have generated more than \$5.2 billion in sales at www.quixtar.com, plus more than \$396 million for Partner Stores. Quixtar is the industry's 20th largest online retailer and the overall leader within the health and beauty category, according to Internet Retailer's Top 500 Guide. Some of Quixtar's well-recognized product brands include [NUTRILITE®](#) nutritional supplements and [ARTISTRY®](#) skin care and cosmetics.

CHALLENGE

With a [business model](#) focused on interfacing closely with numerous suppliers, seamless interaction is mandatory to support customer sales. While Quixtar's catalog product system and legacy purchasing system were critical to its operations, managing the product and order process was slow and costly to maintain,

with product and order updates taking two to three days to process. Further, catalog planners received product updates only during an overnight batch process and did not have access to real-time receipts or inventory updates. Quixtar was therefore keen to replace its costly legacy purchasing system and integrate its catalog product applications with its ERP Supply Chain software (JD Edwards®) to easily maintain information on suppliers, items, pricing, inventory, and purchase orders.

"The existing legacy purchasing system was not optimal and did not provide the flexibility to quickly set up products and purchase orders," said Rick Townshend, Finance & Product Systems Manager. "By eliminating our reliance on this legacy system, we could significantly improve the timeliness and accuracy of our ordering information and reduce the resource requirements that the aging system imposed on the IT staff."

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- Tina Abdo, Integration Center Manager, Quixtar

SOLUTION

Quixtar decided to migrate its purchasing activity from the mainframe to JD Edwards, but retain its custom catalog product system. To accomplish this, Quixtar partnered with webMethods to leverage the powerful integration capabilities of the webMethods integration stack.

“webMethods offered us a real-time, scalable platform to which we could easily and seamlessly transition our supply chain operations,” said Tina Abdo, Integration Center Manager.

Leveraging the webMethods platform, Quixtar was able to quickly integrate all of these systems into a more holistic and seamless supply chain in which batch transfers were replaced with real-time integration. At the same time, webMethods was also used to create a number of customized application interfaces, which provided users with role-based access to a variety of applications as well as a more comprehensive view of their operations.

As Quixtar’s catalog buyers negotiate with suppliers, the supplier information and pricing are loaded directly to JD Edwards via webMethods interfaces from existing applications. Product information and purchasing information are also loaded real-time using webMethods. With this tight integration in place, items may now be set up and ordered from suppliers in one day.

The IT team has streamlined the development process by relying on the re-use of web services, and common data models across implementations. Using the webMethods platform to create a more consolidated supply chain infrastructure has also allowed Quixtar to reduce application redundancy as well as its reliance on more costly mainframe systems, which further enhanced the productivity and efficiency of its IT operations.

“Rapid deployment of Web services has not only greatly diminished development time but Quixtar is also capitalizing on a key advantage of the SOA methodology – reusability,” said Ms. Abdo. “We have been able to easily deploy additional functionality and improve our agility in keeping pace with rapid changes.”

RESULTS

With webMethods interfaces for maintaining suppliers, items, pricing, inventory, and purchase orders, catalog staff now have real-time access to purchase order updates, receipts and inventory. Further, with the webMethods powered solution, items can now be set up and ordered from suppliers in 1 day versus 2-3 days. Catalog staff are also able to provide accurate plans and order products from suppliers faster.

Supply chain interactions are significantly improved as a result of real-time information on suppliers and

products. Quixtar now has the ability to set up ‘hot buy’ products and place same day orders to suppliers. The new solution has also spurred integration and streamlining of the transportation, planning, and financial department procedures, further improving efficiencies of operation.

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SUCCESS HIGHLIGHTS

- Improved supply chain operations for catalog business
- Items set up and ordered from suppliers in 1 day versus 2-3 days
- Transaction volumes of approximately 25,000 SKUs, 1,700 suppliers, and 20,000 purchase orders to suppliers per year
- High degree of accuracy in product plans and suggested order dates
- Reduced development times by leveraging a Web services and SOA platform