

opentext™

Success story

James Hardie Building Products Inc.

Industry

• Building Products

Solution

• OpenText™ B2B Managed Services



Building products leader renovates its business network with cloud-based B2B platform

James Hardie delivers savings and supports growth with OpenText B2B Managed Services

Results



Cloud-based system eliminates costly hardware and software requirements



Hosted solution delivers scalability and support for global growth



Efficient, secure exchange of information for greater network efficiency and visibility

"We wanted to align with a strategic partner who offered a platform that would allow us the operational scalability to give us more velocity as we start globalizing our operation."

Wayne Ly
Business System Director
James Hardie





James Hardie Inc. is the global leader in fiber cement building products. It operates in markets around the world, with manufacturing operations in the United States, Australia, New Zealand and the Philippines. Building on founder James Hardie's innovative, entrepreneurial legacy, fiber cement siding products were invented as a more durable, lower-maintenance alternative to wood and vinyl siding. The company continues to be the industry innovator, spending more than US \$20 million annually in R&D. The business employs more than 2,500 people and generates revenue of more than US \$1.5 billion a year.

Background

With a legacy dating back to 1888, James Hardie building products combine innovation and versatility to offer a variety of design possibilities. Currently installed on more than 5.5 million homes in North America, these products have earned a favorable reputation within the industry and have been installed in some of the United States' most prestigious projects.

Innovation has been vital to maintaining a leading position in the building materials industry and to positioning itself for future growth around the world. Knowing that innovative technologies can change the way the company engages with its customers, James Hardie modernized its electronic data interchange (EDI) platform with OpenText B2B Managed Services to better serve its customers and fuel growth.

Challenges

Modernizing the business network

James Hardie is primarily a business-to-business (B2B) company, selling its products to national and regional home builders through a network of large distributors and independent wholesalers. In addition, it is growing

in the repair and remodel (R&R) market with its products being sold through major retailers.

James Hardie was managing its core customers via an aging EDI platform, but to expand and optimize its operations in Europe, Asia and other countries, the system needed renovating. The technology was outdated and could not be easily extended globally, posing a significant business risk for global expansion plans.

Wayne Ly, Business System Director at James Hardie, described the older technology: ***"The legacy systems that we had were on-premises and the hardware and EDI technology were starting to get older."*** Using EDI, James Hardie replaces manual, paper-based business communication with standard, electronic document exchange.

The company's plan was to modernize its EDI platform with a solution that could support expansion requirements and deliver cost savings and efficiencies. Leveraging a cloud-based solution allows the company to save hardware costs and overhead related to supporting older technologies, as well as decrease the time to market when they set up new customers on the EDI network.

To optimize and scale its operations not just in the U.S., but around the world, the company also needed a solution that could take on some of its EDI support operations as the anticipated growth would bring new customers into the EDI system. The team was concerned that existing EDI staffing levels would not be able to support an expanded in-house solution across multiple time zones and languages. ***"I think the short-coming of our existing platform was that, from a support perspective, we only have one EDI analyst. If we are thinking about branching this platform out and consolidating our worldwide operations to just one platform, one person cannot support it 24/7/365 days a year,"*** said Ly.



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The company decided that an outsourced, managed services solution made the most sense. ***“We wanted to align with a strategic partner who offered a platform that would allow us the operational scalability to give us more velocity as we start globalizing our operation,”*** said Ly.

Solution

A leading cloud-based B2B network solution

The team evaluated several possible solutions before deciding on B2B Managed Services. ***“One of the reasons that we chose OpenText is because, in terms of Global Shared Services (GSS) and EDI, OpenText is one of the leaders in the space,”*** said Ly. The managed services model provided by OpenText was a cost-effective solution to manage James Hardie’s day-to-day B2B network needs, including onboarding, mapping, translation, monitoring and trading partner enablement processes.

With the company’s plans to expand into Europe and bring on new customers and partners from European operations, OpenText global coverage was also a factor in the decision. ***“The objective as we move toward a global operation, from a business and IT stand- point, is to ensure that we can support our business globally. We wanted to optimize operations from a single platform for EDI globally and have a strategic partner like OpenText to help us manage that on the EDI side,”*** said Ly.

The team at James Hardie has completed the first phase of the implementation, with U.S. operations now up and running. ***“It’s been running very well, with more than 50 trading partners onboarded,”*** said Ly. The next phase is a roll-out in Europe, where operations are growing and six or seven high volume customers are ready to onboard. In the near term, the company anticipates onboarding between 100 and 150 trading partners, adding more as the business continues to grow.

Benefits

With B2B Managed Services, James Hardie now benefits from the platform’s business and IT value.

Scalability and savings in the cloud

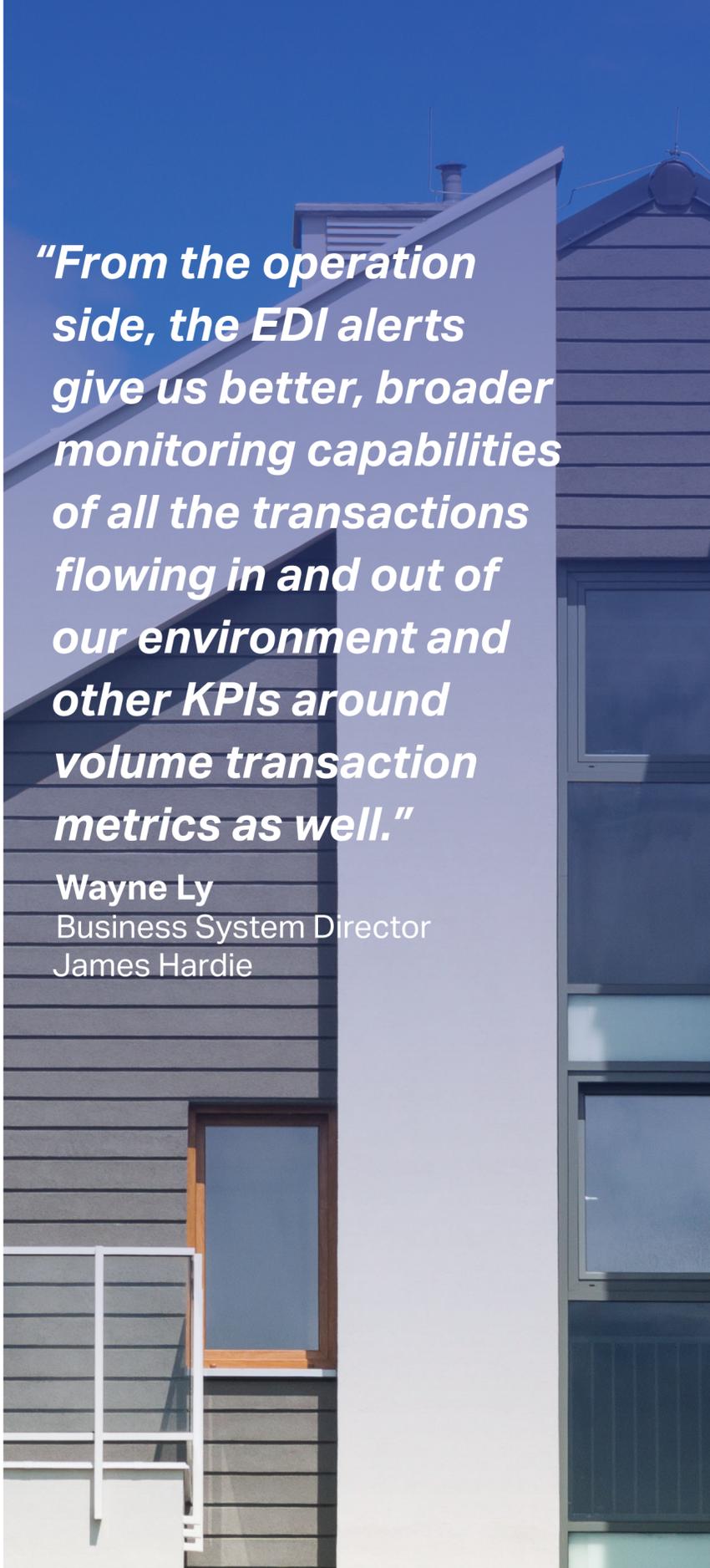
Moving to a cloud-based solution was part of James Hardie’s overall strategy. ***“We are now making strides in that area with OpenText and looking for other opportunities within the business to leverage cloud technology, including helping us to scale out in areas where there is not enough infrastructure to support an on-premises solution,”*** said Ly.

Some of the key benefits of the cloud solution are related to total cost of ownership. The company is seeing cost savings derived from the outsourced model, now that it no longer has to maintain all the resources, hardware and manpower internally to manage and support a solution.

Supporting global operations

B2B Managed Services will help James Hardie expand its trading partner ecosystem and manage the day-to-day operation of its business network. The solution’s global onboarding capabilities, multilingual support and regional transaction expertise were all areas that the team wanted to leverage. ***“When we started looking at a global strategy, we asked ourselves questions about how many delivery centers we have and in which regions and time zones. We also determined where our growth would be in what countries and what EDI capabilities we have in those countries to support new customers as we onboard them in our business,”*** said Ly.

The OpenText solution plays a major role in supporting these global expansion efforts. ***“Now, partnered with B2B Managed Services, we’ve been able to scale up our operations and serve the market,”*** said Ly.



“From the operation side, the EDI alerts give us better, broader monitoring capabilities of all the transactions flowing in and out of our environment and other KPIs around volume transaction metrics as well.”

Wayne Ly

Business System Director
James Hardie

He added that while they still rely on their internal EDI analyst, he no longer carries the entire burden alone: ***“As we bring more customers and trading partners online, he is better able to manage problems, whereas before he had to work through the full problem resolution flow by himself. Now, the solution has reduced the SLA issues for us, which is great for our customers and enhances our customer experience.”***

Enhanced features deliver value

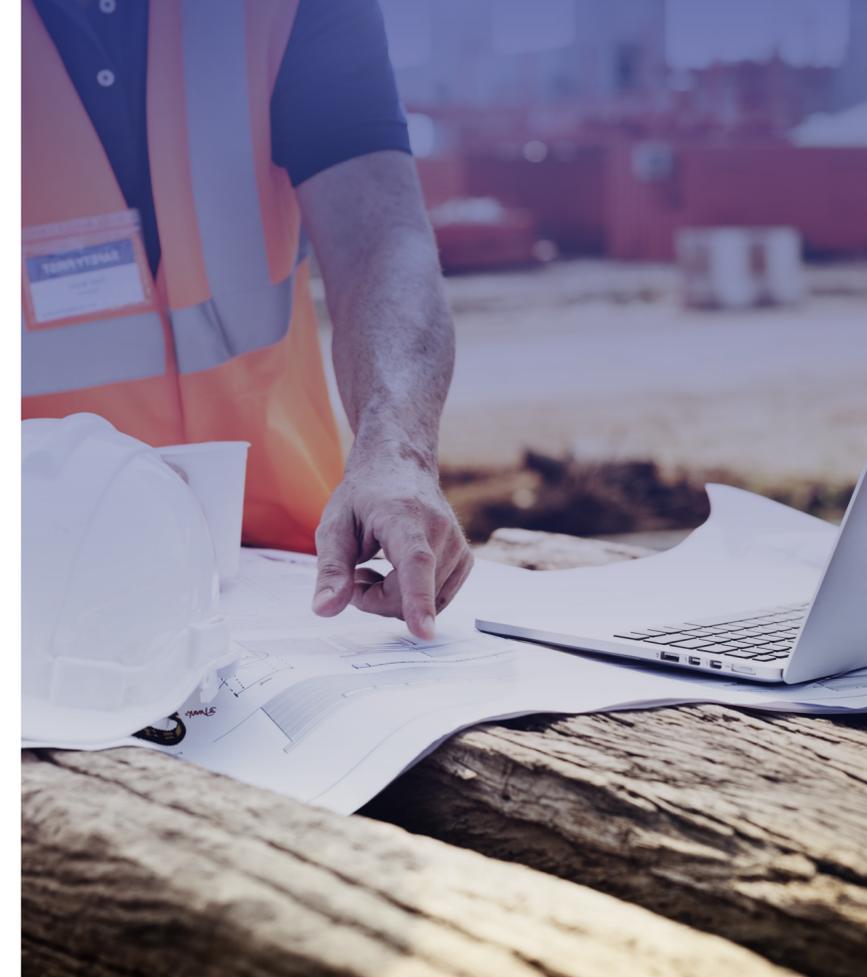
The team at James Hardie has seen early benefits from the many features of the OpenText solution, including rapid onboarding of partners onto the system and document tracking. For example, now the team can check the status of every EDI transaction exchanged with business partners to quickly identify which transactions were sent and received, in the event of any issues.

They were also able to set up alerts to be notified when anything unexpected happens. ***“It has given us more capabilities from a support perspective. From the operation side, the EDI alerts give us better, broader monitoring capabilities of all the transactions flowing in and out of our environment and other KPIs around volume transaction metrics as well,”*** said Ly.

Smooth rollout with strong support

Though they are in the early days of implementation, the team has been pleased with the smooth transition to the new solution. ***“The new system is running very well. It has been up and running for several months and there have been minimal issues,”*** said Ly. He added that when issues do come up, the team gets strong support from OpenText: ***“We use the support portal and we get very quick responses whenever we log tickets. From that aspect, I think the adoption of B2B Managed Services has gone very well. The support portal is clear and concise and the SLAs are very good.”***

With the U.S. implementation running smoothly, the team at James Hardie looks forward to the European rollout. With B2B Managed Services to keep its business network running smoothly, James Hardie can focus on maintaining its reputation for excellence in both quality and service and fueling growth around the world.



About OpenText

OpenText, The Information Company, enables organizations to gain insight through market leading information management solutions, on-premises or in the cloud. For more information about OpenText (NASDAQ: OTEX, TSX: OTEX) visit [opentext.com](https://www.opentext.com).

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