

KMT Waterjet Systems links global operations with IBM Lotus Notes and Domino solution.

Overview

■ Challenge

Avoid disruption to business operations during six-month transition to ownership by KMT and enable ongoing collaboration between U.S. and German offices

■ Solution

Integrated collaboration solution with instant messaging and Web conferencing capabilities for collaboration among employees, vendors and partners of newly formed business unit

■ Why IBM?

The workforce was familiar with IBM Lotus® Notes®; IBM's per-user software licensing fit the company's budget and growth plans; the powerful application development environment of Lotus Domino® Collaboration Express supports creation of new custom applications

■ Business Benefits

Collaboration system supporting 170 employees deployed in four months, two months ahead of deadline; per-user licensing saves 15% with no training costs compared to Microsoft Exchange/Outlook; custom application power of Domino supports addition of workflow application



An innovative pioneer in the field of aqua-jet cutting technology, KMT Waterjet provides equipment for a range of manufacturing operations.

When Swedish firm Karolin Machine Tool (KMT) bought Ingersoll-Rand's Waterjet business unit, it acquired a leader in waterjet cutting technology. Cutting materials as diverse as ceramic alloys and food products with a high-pressure jet of water offers substantial advantages, including reduced temperature, precision cuts and minimal waste, and is inherently environmental friendly. In light of these benefits, it's not surprising that waterjet cutting technology has grown to a \$180 million market in 2003.

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—Stan Sloan, IT Manager,
KMT Waterjet Systems

Rapidly implementing low-cost on demand solutions

Key Components

Software

- IBM Lotus Domino Collaboration Express
- IBM Lotus Instant Messaging and Web Conferencing

Business Partner

- GreyDuck Technology
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The acquisition by KMT in October 2003 resulted in a new business unit called KMT Waterjet Systems. The transition plan called for six months to fully integrate both workforces and their technology infrastructures. During the transition, KMT Waterjet Systems retained the use of Ingersoll-Rand's IT infrastructure. KMT Waterjet Systems had to deploy a messaging system to handle current needs and provide a platform for continued growth. For Stan Sloan, IT Manager for KMT Waterjet Systems, the challenge was formidable. "It was more than just e-mail; we needed a complete set of collaboration tools," remembers Sloan. With a complete infrastructure to build, Sloan was working with a tight budget and needed to save money wherever possible. By turning to IBM for a solution based on IBM Lotus Notes and Domino technology, KMT Waterjet Systems met their deadline while realizing a substantial savings over competing solutions and meeting the company's budget and productivity targets.

Specifying a comprehensive solution

The challenge facing Sloan was to provide communications services for 170 employees located in Baxter Springs, Kansas; Bad Nauheim, Germany; and small sales and service offices worldwide. "Our messaging system needed excellent replication capabilities to support our mobile users who frequently lack a high-speed Internet connection," Sloan recalls. "We needed collaboration tools to communicate across the entire organization without having to wait for phone calls." While most users worked at desktops, Sloan also had to support an increasingly mobile sales staff with laptops and Blackberry personal digital assistants (PDAs). He went shopping for a solution that would integrate easily into the company's infrastructure and fit its budget – in short, he needed to replicate the capabilities of the existing environment and add support for remote users, all at a small-business price point.

Sloan's experience with Notes at Ingersoll-Rand had been highly positive, but he was concerned that the application would be too expensive for KMT Waterjet Systems. After evaluating the available solutions, Sloan narrowed the choice down to Microsoft Exchange and Lotus Domino Express. He liked the integration between Microsoft Outlook and Microsoft Office, but preferred Lotus Domino Express based on its ease of use, replication features and security.

Digging deeper, Sloan discovered that Lotus Domino Express was designed expressly for small and medium-size businesses (SMBs) such as KMT Waterjet Systems. Lotus Domino Express offers three versions to give SMBs the flexibility they need to tailor a solution to their particular needs. He identified Lotus Domino Collaboration Express as the version best suited to KMT Waterjet Systems because it includes not only a full range of messaging and collaboration features but also the powerful Domino application development environment for creating and integrating new applications.

Sloan ran the numbers and received a pleasant surprise. Where Microsoft charges for each server running Outlook, Collaboration Express is licensed per user, which offers substantial cost savings for SMBs. "The per-user licensing of Collaboration Express sealed the deal. I pay for the number of clients using the system, not the number of servers," says Sloan. "I had expected the Lotus solution to be more expensive than Microsoft Outlook, but it turned out to be about 15 percent less."

Sloan's cost analysis showed that savings also extended to training and support. Because his user base was already familiar with Lotus Notes, there were no training costs with Collaboration Express. And the ease of integration with other application servers meant that Sloan could count on a relatively fast and painless system integration process. When he added it all up, the winner was Lotus Domino Collaboration Express.

Sloan worked with IBM Business Partner and Lotus Notes integrator GreyDuck to install, configure and implement their Lotus Domino Collaboration Express system and migrate the user community from Ingersoll-Rand's Domino environment to the new KMT Domino environment with no interruption in service to any end user. To support faster and more personal interactions between their international locations, Sloan opted for real-time collaboration with Lotus Instant Messaging and Web Conferencing. KMT Waterjet Systems switched over from the legacy Lotus Notes system in four months, two months before the deadline. The installation took place simultaneously in the company's two main offices in Kansas and Germany with no significant problems.

Supporting a fast-paced, diverse operation

As expected, the training requirements were minimal and the changeover went smoothly. Within the first month of use, KMT Waterjet Systems was operating at maximum efficiency, with few reports of problems from employees. Most of the KMT Waterjet Systems workforce accesses Lotus Collaboration Express from the desktop, but a small community of mobile users connect from laptops and Blackberry devices.

The capabilities of Lotus Instant Messaging and Web Conferencing have paid dividends from the start. According to Sloan, "The chat feature of Lotus Instant Messaging and Web Conferencing is the most-used feature of the system, especially when local users are dealing with the facility in Germany." Employees in different continents use instant messaging to save time working out operational problems. KMT Waterjet Systems also uses Lotus Instant Messaging and Web Conferencing for company-wide training and employee communications, saving on travel costs and increasing operational efficiency.



The collaboration features of IBM Lotus Domino Express help KMT Waterjet ensure that each customer receives the water jet product that is best suited for its individual manufacturing process.

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KMT Waterjet Systems has found other ways to extend the flexible collaborative capacities of its new Lotus Notes infrastructure. It will soon become the basis for a new workflow management application, developed by GreyDuck, for incoming new product requests, replacing an inefficient legacy system based on faxes and manual data entry. New product requisitions from the sales force contain a range of information – who, what, where, why, how – that must be transmitted to engineering, operations, finance and other departments within KMT Waterjet Systems. The IT team, supported by GreyDuck, used the custom application power of Domino to integrate this new application into the KMT Waterjet Systems infrastructure. The workflow application is in initial testing, with final deployment scheduled in 60 days. Sloan expects the new workflow application to significantly reduce errors in processing incoming new product requests.

Looking to the future

Business is booming for KMT Waterjet Systems, as shown by double-digit first-year growth in sales and headcount, along with a record number of systems shipped. These upward trends are expected to continue. To meet the inevitable challenges of sustained rapid business expansion, management has mandated a daunting list of enhancements to the IT infrastructure. Planned projects include deploying a complete customer relationship management (CRM) system using Lotus Domino and updating the existing enterprise resource planning (ERP) system. Sloan is unfazed: "I've used Lotus Domino at Ingersoll-Rand and KMT Waterjet Systems and have been happy with the results in both places. Lotus Domino is a good fit for KMT Waterjet Systems."

For more information

Please contact your IBM sales representative or IBM Business Partner.

Visit our Web site at: ibm.com/lotus

For more information about KMT Waterjet Systems, visit: www.kmtwaterjet.com

For more information about GreyDuck, visit: www.greyduck.com



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