



Consolidating communications at a global level for a thriving German software company

“Our communications have now been standardised and made transparent, just as we wanted. Everything comes from one single source. BT and SAG have together managed to make the infrastructure so flexible that we also have a clear view of the individual elements at all times.”

Dr Dirk Ventur
CIO and Head of Global Support
Software AG

Software AG chose BT to harmonise and manage the majority of its international communications services and reduced costs by around 25 per cent

Executive Summary

Software AG (SAG), Germany's second largest software company, is also an established global player on a steady growth course. Complexity had developed within its worldwide IT communications infrastructure, with different technologies existing side by side in a heterogeneous environment. Internationally, the company was also tied to a multiplicity of providers. To transform its network into a standardised and harmonised structure right across the corporation, SAG launched its “Communications Consolidation” (ComCon) project.

The main objective was to get the necessary implementations together with the management of the WAN, fixed telephony, mobile telephony, and PBXs from a single source, via a managed solution. In addition, the company wanted clear service level

agreements and transparency in all matters relating to contracts, costs, and procedures. When an international tender was issued, 12 suppliers put in a bid and BT was successful, SAG being persuaded by both the technical and commercial benefits of having a single prime contractor.

Today, in conjunction with BT Infonet, BT services include an international data WAN using multi-protocol label switching (MPLS) that links over 40 SAG sites. The contract also covers management of the existing PBX installations in 16 countries, as well as fixed telephony in Germany, and mobile voice and data communications in Germany and the UK. To date, the standardised voice, data, and mobile services are saving SAG around 25 per cent on its communications costs.

Case study

Software AG

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Marketplace

Based on 35 years of experience with powerful databases, application development tools, and integration technologies, Software AG (SAG) offers an extensive product and service portfolio covering all aspects of IT infrastructure for service-orientated architectures (SOAs). Internationally, over 3,000 customers rely on technology from SAG for their business-critical systems. The result of this success has been consistent, organic growth in strategically important markets.

By late 2005, the company, headquartered in Darmstadt, Germany, had more than 2,600 employees working in over 70 countries. It had also developed a complex global IT communications infrastructure, with over 300 individual contracts tied to more than 80 providers in 58 countries. In addition, different technologies, some of them obsolete, were running side by side; these included frame relay, internet-based connections, and leased lines.

Business opportunity

When SAG launched its “Communications Consolidation” (ComCon) project, headed by Dr Dirk Ventur, CIO and Head of Global Support, one of the priorities was to compile a list of requirements for a standardised and harmonised communications infrastructure right across the corporation. SAG wanted clear service level agreements, tied in with transparency in its contracts, costs and procedures, plus centralised billing. Another priority was to have all communications services provided by a single source, as a fully managed solution. The plan was to hand over any necessary implementation to a single service provider, together with management of the WAN, fixed telephony, mobile telephony, and PBXs.

In this context, a key requirement was the planned implementation of an international data WAN using multi-protocol label switching (MPLS). “We have to change our network frequently because of decisions made at short notice, so the flexibility of the new network was a major factor for us,” Dr Ventur explains. “Traditional topologies, based on different technologies at the various sites, had held us back quite considerably because of the long lead times required to make changes.”

BT solution

Of the 12 European companies submitting tenders, BT was, according to Dr Ventur, “the only one with an appropriate holistic concept”, so SAG undertook to work with BT as the prime contractor. With BT’s extensive portfolio of networked IT services, this collaboration represented a decisive step towards achieving SAG’s goals of a harmonised infrastructure, standardised procedures, and centralised billing.

While transferring its mobile voice and data communications to BT in Germany, SAG also decided to move its entire German operations to BT Mobile, which uses the network of its partner O₂. In addition to a complete switchover of the infrastructure, this also meant changing all the telephone numbers. Today, SAG staff throughout Germany have mobile phone numbers whose final digits are the same as the direct dial number of their office landline. During the switchover, however, the project ran into unexpected technical problems. Dr Ventur comments: “The occasional roaming that we needed from O₂ to T-Mobile did not work automatically, as we had expected. Our partners had to make specific adjustments.” These problems have now been resolved and SAG has also long since implemented the migration of its mobile phone services in the UK.

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Results

The international MPLS-based WAN, which BT developed and implemented in conjunction with BT Infonet, is now available to SAG at over 40 sites. "The switchover was no problem – the teamwork was good and the link-up to the SAP interface went smoothly," says Dr Ventur.

MPLS is particularly suitable for multinational companies such as SAG that have heterogeneous communications traffic at various sites. With its any-to-any IP VPN links, BT MPLS offers every corporate site direct access to any other site. Dedicated point-to-point connections between individual subsidiaries are no longer necessary, which simplifies configuration and helps to avoid long lead times for adding new services.

The WAN combines speed with flexibility and fail-safe performance. Moreover, MPLS is more flexible than traditional network solutions – for example, if greater bandwidth is required at short notice or if additional sites need to be integrated into the network. For SAG – which has extended its international presence by adding 12 new subsidiaries in 10 countries since the start of its co-operation with BT – this flexibility is business-critical.

Dr Ventur says: "BT's flexibility and the fail-safe nature of our new network constitute true added value. Even though we frequently have to change our plans as a result of decisions made at short notice, we can now rely on a consistently high level of performance."

SAG has saved around 25 per cent on its communications costs simply by unifying its contracts for voice, data, and mobile communications. As initially hoped, the company can now count on reliable, direct service from one single provider in almost all areas of networking and communications.

SAG has also benefited from harmonising the management of its existing PBXs in 16 countries, as well as the management of fixed telephony in Germany and mobile voice and data communications in Germany

and the UK. What works particularly well is the integration of mobile telephony into the company's own telephone network and the standardisation of mobile and fixed telephone numbers.

The requirement for centralised billing is something else that BT has met in full. Dr Ventur explains: "Thanks to BT, we now have a straightforward, centralised invoicing procedure. BT also provides us with centralised support, including fault clearing.

"Our communications have now been standardised and made transparent, just as we wanted," he concludes. "Everything comes from one single source. BT and SAG have together managed to make the infrastructure so flexible that we also have a clear view of the individual elements at all times."

Why BT?

- BT offers clearly defined, professional service management with comprehensive service level agreements and a single point of contact
- BT can draw on extensive experience in the design, implementation, and management of global VPNs
- As one of Cisco's certified Gold Partners, BT has pioneered the use of MPLS in business
- BT MPLS offers international companies the flexibility needed in today's digital networked economy

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Technology blueprint

The SAG corporate network contained a mixture of different technologies such as ATM backbone systems and frame relay. The BT solution includes the implementation and management of a MPLS-based WAN for more than 40 sites, the management of PBX installations at 16 sites and of fixed telephony services in Germany, and managed mobile communications in Germany and the UK.

BT MPLS is an IP-based standard for converged networks that supports traffic prioritisation. Business-critical applications such as supply management or time-sensitive applications such as IP telephony and videoconferencing, for example,

are given priority over less time-critical applications such as email or internet access. MPLS constitutes a good starting point for moving more services on to the network and is the ideal vehicle for a transition to exclusively IP-based technologies. SAG has already used Voice over IP (VoIP) in the past – for example, to connect some of its main sites – and is planning to rely on it more heavily in future.

Main BT products and services

- BT MPLS
- Management of the existing PBX installations in 16 countries
- BT Business Voice solution in Germany
- Management of mobile voice and data communications in Germany and the UK
- Centralised billing

Offices worldwide

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