hp success story

MarkMaster Inc.
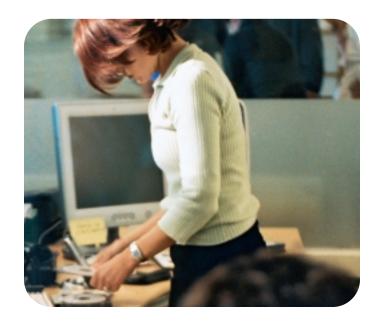

e-procurement solution

"With our totally integrated HP solution we can implement e-procurement systems for new customers within 24 hours — it takes longer than that to negotiate the contract."

**Vice President and Chief Operating Officer
Kevin Govin, MarkMaster Inc.**

high marks for hp e-procurement solution

Tampa, Florida-based MarkMaster Inc. — a fourth-generation, family-owned business — is the largest manufacturer of custom rubber stamps and engraved desk signage in the United States, processing up to 6,000 orders daily.

Ordering and procuring customized stamps is a highly complex process, even though these items are low-tech and have ancient antecedents. As MarkMaster's vice president and chief operating officer Kevin Govin explains: "It has always been more of a cost-of-ordering than a cost-of-product business. While the raw materials for stamps and signs don't cost much, the products are all customized and each must be accurate."

For years, MarkMaster differentiated itself by providing technology-based sales solutions to its corporate customers, who could place orders via fax, computer modems/terminals and custom-designed websites. Yet, the increasingly efficient supply chains of its business customers posed a technological challenge for MarkMaster: how best to integrate with the leading e-marketplaces and procurement sites on the web.

The benefits were obvious: renewed productivity and competitive pricing. "We needed to measure carefully whether integration was cost effective, based on the return and the low-ticket items we sell," says Govin, "but we had to comply. If we couldn't support our customers' procurement methods, they would find a vendor who could."

direct connection business-to-business

MarkMaster weighed various e-marketplace integration options. Beyond answering internal operational issues, the solution needed to meet customer demands for state-of-the-art e-procurement capabilities. "Our previous system was just mistakes waiting to happen," explains Govin. "We had to confirm names and titles, track down missing information and spend too much time in customer service. We

needed a solution to do everything, and that's where HP brought in its multifaceted e-commerce expertise."

Govin initially became involved in a project in early 2001, led by HP and Microsoft Corporation, featuring the Microsoft Solution for Supplier Enablement. "HP and Microsoft helped us make the jump to e-commerce with a rapid implementation of the Microsoft Solution for Supplier Enablement, which integrated well with our existing information-technology (IT) environment," Govin says.

The project team included representatives of MarkMaster, HP, Microsoft, Bank of America, Avidxchange, HP solution provider ePartners Inc., and procurement software developers Clarus Corporation and Ariba Inc. All members of the team brought specialized knowledge and experience to the project. For example, Clarus and Ariba provide enabling engines for web-trading hubs based on their business-to-business, online-procurement software.

versatile services, accomplished team

HP Services provided project management, professional services, hardware design, installation, engineering support, systems integration and testing. "I was delighted to learn that HP is more than a great hardware manufacturer," says Govin. "HP provides considerable expertise in installing and configuring Microsoft technologies, and delivers totally integrated solutions. They managed the project with a proven set of methods, achieving smooth collaboration among the entire team."

The HP consultants' thorough analysis and stress testing also impressed Govin. "They performed an extensive and extremely valuable proof of concept," he says. "They asked me our goals and didn't try to sell me too much capacity or equipment, and incorporated some equipment I already had."

summary:

Commercial stamp manufacturer MarkMaster Inc. used HP ProLiant servers and HP Services — along with a Microsoft® web-procurement solution — to catapult itself to an industry leadership position. Now, MarkMaster fulfills orders for nationally prominent corporate clients quickly, accurately and cost effectively. "Our HP trading partner enablement and Internet business solution opened the door for MarkMaster to some large Fortune 500 companies."

HP developed a detailed deployment plan based on a scalable, highly available HP architecture and rapid software integration. Planning took only a few days. The team then installed and configured new hardware and software while integrating the new solution with existing MarkMaster systems and workflows. The team also created custom applications for sophisticated monitoring and reporting of the company's 400-plus products. The Microsoft Solution for Supplier Enablement toolkit integrates with MarkMaster's enterprise resource planning systems and extends them to the Internet. "Now I stake my reputation on this website — I've got major customers and that's all they know of me," he adds. "This solution works and contributes to maintaining satisfied, returning customers."

"At the same time," Govin continues, "HP gave MarkMaster staff 'a free education.' As part of the services engagement, HP took the time to show our IT staff how to upgrade HP ProLiant servers to accommodate business changes, modify registries and handle other essential tasks. We just upgraded major systems with no outside assistance, which saves on support costs and lets us do more with less."

viable, scalable, open solution

HP provides the essential solution platform. Two ProLiant DL360 servers — designed for web-server applications — power the Microsoft toolkit. Govin recently added another ProLiant DL360 server to power the SQL 2000 database in order to support the increase in sales and to scale the solution to the next level of availability and reliability.

A long-time user of powerful, cost-effective ProLiant servers for his manufacturing infrastructure, MarkMaster already knew about their high performance, fault resilience and availability. "HP is always our top choice," Govin says. "HP ProLiant servers perform business-critical computing tasks very reliably, which helps us maintain an agile IT environment. They never fail us, and we've been happy with them from the beginning."

MarkMaster uses HP Insight Manager XE software to monitor their ProLiant servers. "HP Insight Manager makes it easy to manage, configure and monitor the health of our servers," notes Govin. "The software presents all of the diagnostic information in one location where we can see and respond to it remotely, as needed."

The supplier solution incorporates the Microsoft Windows 2000 Advanced Server operating system. It also uses Microsoft BizTalk Server 2000 to provide the business-process environment, Microsoft Commerce Server 2000 to manage product selection and specifications, and Microsoft SQL Server 2000 as the back-end transactional database. "Everyone worries about the client in an Internet environment, but Microsoft makes it easy for the supplier to realize its e-commerce goals," says Govin.

Customers use standard web browsers to select rubber stamps through Microsoft Commerce Server 2000. Once completed, Microsoft BizTalk Server 2000 routes the order, creates a purchase order (PO) and instructs MarkMaster to begin manufacturing the stamp. "The Microsoft Commerce Site Server 2000 does much more than serving files," says Govin. "It helps us analyze buying patterns, forecast material needs and connect to our internal systems, making us much more responsive."

simplified integration, increased productivity

The Microsoft Supplier Enablement toolkit saves MarkMaster considerable technical integration expense by allowing clients and servers across a wide range of different systems to exchange data using Extended Markup Language (XML). MarkMaster procurement systems connect to the toolkit, which facilitates messaging and translations to XML standards. "We couldn't spend tens of thousands of dollars hooking up to a company's website," Govin notes. "With the initial investment in this solution, we don't have to. I connect easily to any marketplace within 24 hours."

e-commerce expertise

business results:

- accelerates e-procurement ordering and fulfillment, reducing order-entry error rates by 90 percent

- cuts product return rates in half

- reduces customer service costs by 20 percent

- protects existing markets and expands customer relationships

- empowers control and management of the sales-engagement process

- increases marketing opportunities through multiple sales channels — without adding costs

- enables 24-hours-or-less ordering and payment processing

- accommodates additional supply-chain functionalities easily and cost effectively

- increases revenue without increasing staff and support costs

keep pace

HP also worked with ePartners, which designed and developed the MarkMaster website. After selecting a MarkMaster product on an e-procurement site, customers access the website to see detailed product information and enter custom orders. "Some of our competitors take 14 screens to fill out the form for a stamp. We take 95 percent of our rubber stamp orders with just one screen," asserts Govin.

At the same time, the solution reduced MarkMaster order-entry error rates by 90 percent. "Because ordering is less error prone, we increased orders by 1,000 per day — without adding staff," reports Govin. "We get complete, accurate information and pre-approved, valid PO numbers. It's made a world of difference: our return rates dropped by half."

accelerated growth and profits

By removing the order-entry bottleneck, the comprehensive e-procurement solution enables MarkMaster to extend its market reach without adding manufacturing capacity. The result? In addition to its other customers, more than 21 Fortune 500 corporations now contract with MarkMaster. This represents a four-fold increase in the number of major corporate orders to the firm. "We easily keep pace with the hike in new business because our e-procurement solution cuts three days out of a five-day ordering cycle," says Govin. "As soon as customers hit the send button, the order arrives, and we turn it around within a day."

Meanwhile, the firm draws closer to meeting its goal of participating in 200 marketplaces. "Our involvement in that many marketplaces would have been cost prohibitive without HP and Microsoft," Govin concludes. "Today, we're able to reach our business goals quicker. For example, a new nationwide customer just came aboard this morning, and within two hours there were 37 orders streaming in. Isn't that the way it's supposed to be?"

solution:

hardware:
• three HP ProLiant DL360 servers

software:
• HP Insight Manager XE monitoring software
• Microsoft Solution for Supplier Enablement
• Microsoft Commerce Server 2000
• Microsoft BizTalk Accelerator for Suppliers
• Microsoft BizTalk Server 2000
• Microsoft SQL Server 2000 database
• Microsoft Windows 2000 Advanced Server operating system

hp services:
• project management
• consultation
• system integration and testing
• website enhancement
• HP ProLiant server platform design and installation

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for more information

For more information on how working with HP can benefit you, contact your local HP service representative, or visit us through the Internet at our World Wide Web address: **www.hp.com**