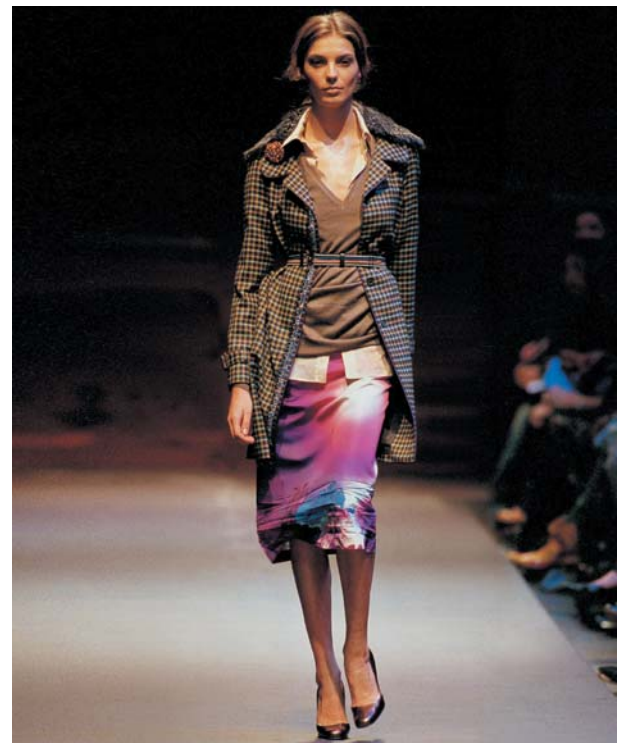# Prada: designing tomorrow's trend

hp

PRADA

Prada stays at the forefront of fashion with SAP solution running on Itanium® 2–based HP Integrity servers and Microsoft® Windows® Server 2003 for 64-bit Itanium 2–based systems

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"By moving to one centralized system built on industry standards for retail and logistics, we realized we could react faster to changing market conditions and enhance customer service by obtaining inventory and sales information in real time. We needed a robust, reliable enterprise-class system that could scale to accommodate the needs of headquarters as well as our 200 retail stores worlwide."

Fulvio Grignani,
Prada Group IT Director

In the fashion industry, there are two types of companies: those that lead and those that follow. At leading Italian fashion company Prada, a solution based on reliable, scalable HP Integrity rx5670 Servers, Microsoft Windows Server 2003, Oracle9i, SAP R/3, and SAP Retail is keeping Prada at the forefront of the high-fashion industry by streamlining retail, financial, and supply-chain operations.

In the past, the core of the fashion industry was manufacturing, and other activities such as marketing and branding were peripheral. Today, design, marketing, and distribution drive the business, and manufacturing is focused on sourcing products from suppliers. To thrive, fashion businesses like Prada must optimize all aspects of their business—from design and product development to sourcing, distribution, marketing, and supply-chain relationships.

The move to simplify IT

To maintain its competitive edge and better serve customers in each of its 200 retail stores worldwide, Prada decided it needed to upgrade and simplify its aging hardware and software infrastructure to maximize simplicity and flexibility. The existing infrastructure consisted of more than 200 servers—one in each retail location—along with a variety of operating systems and an array of databases and software applications for managing retail, inventory, and supply-chain operations.

Prada began to investigate moving to a standards-based architecture—comprising a hardware platform, database, operating system, and enterprise software solution—that would streamline business processes and provide a cohesive view into its operations. The company wanted the new system to enable at-a-glance answers to questions about financials and to provide access to real-time information regarding sales and distribution of its products. This type of timely supply and demand information would enable Prada to enhance customer service by responding to changes in demand as quickly as possible and, at the same time, reduce overall inventory and costs. Moreover, as Prada introduced new items, it would be possible to immediately gauge consumer response and capitalize on the opportunity by quickly altering marketing and production strategies, if required.

"By moving to one centralized system built on industry standards for retail and logistics, we realized we could react faster to changing market conditions and enhance customer service by obtaining inventory and sales information in real time," says Fulvio Grignani, Prada Group IT Director. "We needed a robust, reliable enterprise-class system that could scale to accommodate the needs of headquarters as well as our 200 retail stores worldwide."

The need for high availability

Another key motivator for transitioning to a centralized system was the requirement for 24 x 7 availability, an especially vital consideration for Prada given the need to ensure continuous retail operations around the globe. Cost was also a crucial factor. The complexity of the company's existing environment resulted in high operating expenses and required a wide variety of IT skills. Considering that Prada has a relatively small IT staff and relies on internal resources to manage its systems, the company found the complexity of its then-current enterprise IT environment daunting.

"Managing hundreds of servers around the world running multiple operating systems and databases was expensive and difficult," says Grignani. "By simplifying our overall IT infrastructure and moving to a single, highly reliable centralized system, we realized we could reduce IT costs and effort dramatically."

Building an enterprise system

SAP R/3 and Retail were the obvious choice for Prada's enterprise software needs. SAP provided an integrated solution to meet Prada's business needs from a single vendor. Prada already had a strong relationship with SAP, having used SAP software for years to perform administrative tasks.

Prada decided to base its solution on a cluster of seven HP Integrity rx5670 Servers (four for the production environment, two for testing, one for development). Prada was impressed with the strength of HP's global alliance with SAP and strong track record of successful SAP implementations. In addition, benchmarks from HP convinced Prada that the HP Integrity server platform running Microsoft Windows Server 2003 for 64-bit Itanium 2–based systems would offer enough power and stability to run Prada's mission-critical SAP solution around the clock. Based on the powerful 64-bit Intel® Itanium 2 processor, the HP Integrity servers offered excellent price/performance. And, because HP and Intel were co-developers of the Intel Itanium processor, Prada felt confident that HP servers based on Intel Itanium processors would be exceptionally well engineered and reliable.

Prada wanted to standardize on Oracle® for its central database, based on a strong relationship with Oracle and excellent results using Oracle database systems in the past. Prada also decided to standardize on Microsoft Windows operating systems for both server and desktop environments because of their familiarity and ease of use. However, Prada also wanted the option of re-purposing its servers to run HP-UX 11i in the future if the need arose. The HP platform offered the flexibility of being able to switch to a UNIX® environment without Prada having to purchase new hardware.

"For our enterprise solution, we knew that a 32-bit operating system would not be sufficient to handle the necessary amount of inventory, sales, and other data we generate," explains Elvio Dalla Valentina, chief technology officer for Prada. "Microsoft Windows Server 2003 for 64-bit Itanium-based systems was our first choice because it combined the power and flexibility we needed with the ease of use we were already accustomed to with Windows."

A more agile infrastructure
Prada turned to the HP SAP Competence Center for initial testing and sizing of the infrastructure requirements. HP's deep experience in sizing SAP environments gave Prada the confidence the company needed to proceed at an accelerated pace with reduced risk. The company worked with SAP systems integrator RealTech to deploy SAP R/3 Financials and Control solutions for 400 Prada employees worldwide. The deployment went smoothly, and the performance of the HP Integrity servers has exceeded Prada's expectations. Prada is also taking advantage of HP Proactive 24 Service for SAP for reliable ongoing support of its SAP solution.

"The HP Integrity servers are so powerful, reliable, and stable that we will be able to run all of our business processes, from financials to point of sales systems, on a single cluster," says Dalla Valentina. "The simplicity of our new system when it's fully implemented will be unparalleled, and, from an IT management point of view, we expect to dramatically lower cost of ownership."

The move toward a simple, more powerful, and cohesive IT infrastructure offers a number of benefits for Prada. Perhaps the most valuable is the ability to react quickly to changing market conditions and customer demand. Also vital are streamlined IT and the elimination of 200 servers dispersed around the globe, together with their associated management costs. For Prada, aligning IT with the company's business needs has been easier due to a strong, trusted relationship with HP.

"We have an international agreement with HP for both server and client hardware, making HP our biggest IT supplier," says Dalla Valentina. "But HP is far more than just a hardware vendor: HP is our trusted advisor. Over the years, we have come to depend upon HP for advice and support, and HP has guided us in making the right technology decisions many times."

At a glance

- Industry sector: Luxury goods
- Name: Prada
- Headquarters: Milan, Italy
- Founded: 1913
- Telephone: +39.02.550281
- Number of employees: 6500

Technology highlights

- 7 HP Integrity rx5670 Servers
- Microsoft Windows Server 2003 for 64-bit Itanium 2–based systems
- Oracle9*i*
- SAP R/3 Financials and Controls, SAP Retail

Why HP?

- High level of support and commitment from HP
- Strong relationship between SAP and HP
- Excellent price/performance of HP Integrity servers
- Flexibility of running multiple operating systems on the same hardware, if necessary
- Collaboration between Intel and HP in developing the Intel Itanium processor

Challenge

- Enhance customer service and react faster to changes in demand
- Make real-time sales and inventory information available company-wide
- Reduce IT maintenance time and costs by simplifying and standardizing IT worldwide and reducing the number of dispersed servers

Solution

- Itanium 2–based HP Integrity rx5670 Servers
- Microsoft Windows Server 2003 for 64-bit Itanium 2–based systems
- Oracle9*i*
- SAP R/3 Financials and Controls, SAP Retail
- SAN EMC2 Clariion CX 600

Results

- Ability to capitalize on market opportunities faster
- Enhanced customer service
- Reduced inventory
- Streamlined IT processes
- Lower cost of ownership
- Consolidated view of data, making management decisions easier
- Improved system and business performance
- Ability to work with a trusted vendor that provides exceptional guidance and support

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