

LOBE UNION INDUSTRIAL CORP

Global kitchen and bath products maker improves long-term support for Oracle while reducing costs.



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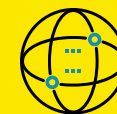
– Morgan Chang, IT Director,
Globe Union



**GAINED SUPERIOR
GLOBAL SUPPORT TO
REDUCE IT BURDEN**



**REDUCED ORACLE
MAINTENANCE COSTS
BY AT LEAST 50%**



VERTICAL/COUNTRY:
Manufacturing/Taiwan



SOFTWARE:
Oracle E-Business Suite
(EBS) 11.5.10, Oracle
Database 11.2.0.4



COMPANY OVERVIEW:

A market leader in the global kitchen and bath market, Globe Union delivers innovative, environmentally responsible products and services that improve quality of life.

“IT resources at headquarters can focus on innovation projects with Rimini Street as their EBS support backup.”

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Reducing Support Burden Frees IT Staff to Innovate

Driving Efficiency for Global Operations

Founded in 1979, Globe Union is a market leader in the global kitchen and bath market. They produce professional-quality faucets, showerheads, and sanitary vitreous china, and their success rests in large part on the quality and craftsmanship of their products. They maintain their quality standards through end-to-end controls, from processing raw materials to putting finished goods into consumer packaging.

To achieve that, Globe Union’s operations span three continents. The company’s central IT organization ensures that global operation and management systems are optimized to provide timely information about global operations, enabling management to make informed decisions. The company builds its in-house, customized production, supply chain management, forecasting, and budgeting systems on Oracle EBS 11.5.10. They also use this ERP to integrate with systems in their major subsidiaries. “We are not a large-scale company, but we operate globally. We run EBS 11.5.10 linking end-to-end transactions across subsidiaries within the Globe Union group and using this as the core to build our in-house customized production, supply chain management, forecasting, and budgeting systems. In addition, sales and marketing-oriented cloud systems such as ODP (Oracle Demand Planning) and OPDH (Oracle Product Data Hub) are also tightly connected to it,” shared Morgan Chang, IT Director at Globe Union.

“Providing efficient global operations and management systems to support the company across manufacturing, sales, and marketing is our goal,” explained Chang. Their primary challenge was the significant portion that Oracle took out of the IT budget even as the scope of services it provided for Globe Union’s older versions of EBS dwindled. IT teams at the subsidiary companies were also finding it difficult to access support from Oracle and had begun funneling queries and issues through central IT to Oracle.

Exploring a Better Model to Support Oracle

“As a critical system matures, it must have both internal and external maintenance resources, but operate at a lower cost, so that resources can be reallocated to innovative systems or technologies,” said Chang. “It’s difficult to hire experienced EBS maintenance staff, and existing colleagues cannot be occupied by old technology all the time,” he continued. Between expertise gaps and exorbitant annual maintenance fees, Chang began exploring other options for support.

As part of their research into maintenance options, the Globe Union IT organization discussed potential solutions with their IT colleagues. It quickly became evident that Rimini Street had a sterling reputation. Combined with additional research, the recommendations from their peers gave Chang confidence that Rimini Street could help them resolve their dilemma.





Rimini Street replaced the vendor-provided support of Globe Union's Oracle EBS. Because of the broad scope of support Rimini Street provides, Globe Union's IT staff can reduce the time spent on Oracle maintenance. Globe Union receives timely assistance for operational issues and ticket resolution with Rimini Street. They no longer need to worry that they may need to seek additional consulting assistance to support unexpected problems with Oracle EBS.

The wide-ranging [support for EBS from Rimini Street](#) extends to IT staff within the subsidiaries, who might have limited familiarity with the system. Rimini Street responds to their questions directly, without the need to filter questions through the central IT organization. Typically, Rimini Street can resolve most issues in the subsidiaries' local time zones with their local IT staff.

Third-Party Support for Oracle Opens the Doors for Innovation

Rimini Street established a deep working partnership with Globe Union. Since working with Rimini Street, "We've been able to free up resources and time to invest in the development and introduction of new applications," said Chang.

"IT staff at headquarters can focus on new projects with Rimini Street as their EBS support backup," he explained.

Because the headquarter IT team was no longer pressed to maintain the EBS system, and because the number of requests for assistance flowing in from subsidiaries was greatly reduced, existing IT staff are not occupied by dated technology. This enabled IT to free up their resources, time, and energy to invest in the development and introduction of new applications.

The additional time IT gained to focus on strategic, value-added projects has benefitted Globe Union's business operations. The added scale has allowed Globe Union to pursue two large projects: system planning and roll-out for production base relocation in China, and implementation of a shop floor management and cost system for North American plants. Additionally, they were able to develop end-to-end P&L reporting, change their automated trading process, and implement daily updates for order and shipping information.

Chang cautions businesses to beware of focusing only on implementation costs without paying enough attention to the maintenance fees that can eat away at the budget down the line. His advice to other businesses, "Evaluate the long-term operating costs of existing systems as soon as possible and find ways to release money and human resources while maintaining service assurance for critical systems."

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