The business case for B2B integration Software-as-a-Service.

For Delfood, it's the innovative approach, producing fast results without any initial investment, that makes Babelway the best solution for B2B integration.

louis delhaize ANNO 1875
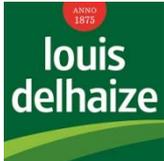
Interview with Philippe Colon, IT systems Director, who tells us about the reasons behind choosing Babelway and the results for his organisation. Some valuable words of wisdom for anybody faced with making a decision about EDI tools.

Delfood is a Belgian subsidiary of the Louis Delhaize group. Delfood is a wholesaler for around 500 clients involved in local food retail businesses. Another service offered by the company is to help with the design of shops and back office systems. Delfood employs between 300 and 400 people.

Mr Colon, what was Delfood's relationship with EDI before the Babelway project?

We had been communicating via EDI with around sixty of our partners for many years, mainly our suppliers.
We also have a database service for branches and affiliates representing some 80 clients.
The important thing in our communication is efficiency, stability and simplicity when it comes to the set-up: it's all about a pragmatic approach.
Over the years, experience has highlighted the virtues as well as the down side of EDI projects.

Why change? What problems were you trying to resolve?

We were faced with the inescapable need to replace our EDI gateway, which was hosted by another member of the group and for which support was not going to be guaranteed for much longer. We also wanted to move over to AS2 and avoid the costs of VANs.

Slowly but surely, and without any particular ideology about the subject, we began to appreciate the added value offered by Babelway.

More fundamentally, we were looking for a whole new approach to EDI communication. We wanted something that would meet our specific needs. We were keen to move away from the traditional approach offered by providers of this kind of service who offer you the same formula that they have come up with for other distributors who are bigger than us, without any real added value and without thinking too much about what smaller businesses are looking for when it comes to EDI solutions.
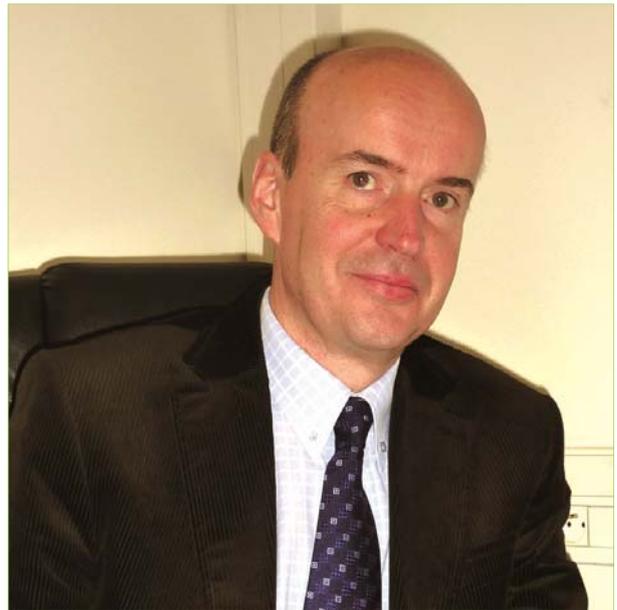
What attracted you to Babelway? What were you looking for?

To start with, Babelway was one of a number of opportunities. We were the customer of an EDI supplier. Other EDI suppliers were involved with the Louis Delhaize group. Getting together behind one solution for the group was also a possible option.
The Software-as-a-Service concept was not a prerequisite. In fact, the idea of outsourcing this service seemed a bit mad to us.
One key point that attracted us to Babelway was their innovative approach. Working with innovative new start-ups is second nature to us. What we liked about Babelway was the original and exciting perspective that they offered in contrast to the long, laborious nature of most EDI projects. It seemed like the obvious answer.

Could you tell us a bit about the migration project? How was it organised?

It all happened very quickly. It wasn't long before we had set-up the automated exchange of an order message with one of our commercial partners. I can't remember exactly how many days it was but it wasn't many.
We then decided to compare Babelway with other key players.

We had a skills transfer. Nothing seemed to be too clumsy or complicated, so we quickly agreed to organise some internal sponsoring (key to the success of any project) and a two-pronged approach to project management: one departmental manager and one IT manager.

Ultimately, the time taken for the migration and to leave behind the original platform was very reasonable. I don't have the details to hand, but it was no more than 6 months between the initial contact and the complete shutdown of the existing platform, and the bulk of the work took around 3 months.

We've now almost forgotten that before, any new partner to interface with meant buying services from the EDI supplier. That's behind us now, it's a given.

How much did the whole project cost you? Did you compare that with other approaches?

We paid a few thousand Euros for Babelway's services. The time spent internally was covered by the original IT budget without any additional costs. Our costs are now linked to use of the service.

The fact that there was no investment in hardware or software was clearly a bonus. If you compare this with other projects where you're offered hardware and software and an additional 70% for specific development. So it's clearly better, and definitely the best solution for Delfood.

We did comparisons with the alternatives and it was Babelway that came out on top.

What are the ultimate results and benefits of the migration project? Does it live up to your initial expectations? Were there any surprises?

There were certainly no nasty surprises!

We exchange messages with around a hundred partners. As well as purely EANCOM EDI messages, we now plan to maintain Babelway as a platform for communication with partners of all shapes and sizes, including local grocers who just want the simplest solution.

When it comes to managing incidents, we have made a great deal of progress, although there aren't many of them.

There's more flexibility as far as setting up a new EDI project is concerned if it's reasonably complex. For more compli-

cated projects, we still go back to Babelway for the configuration. That suits us down to the ground because of the attention that we are paid.

We don't really have a figure for the financial return that we've seen, as the budgets we're talking about are very small. We just know that the results were seen quickly, and that we did see them.

How do you use Babelway now? How do you think that will evolve?

We exchange EANCOM EDI messages as well as proprietary XML files. We have connections via AS2 and SFTP and we've abandoned VAN connections.

We plan to develop electronic invoicing, first of all from the supplier's side of things (direct delivery), and then perhaps for the client.

What would you do differently if you were going to do it all again?

We had a good experience, and all things being equal, we would do the same again. With hindsight, we could have been keener and faster. If we'd had the solution earlier, we could have been more ambitious when it came to introducing the EDI approach to the Belgian branch of the Louis Delhaize group.

What would you say to other companies who are thinking about extending or migrating their EDI?

Babelway's solution can be adopted progressively and can respond to different needs: it can either complement an existing solution or "challenge" and replace one.

The process is economically feasible. You can start with a normal operating budget without a specific development budget.

EDI projects generally take a long time and have a bad reputation in the industry because they are so time-consuming. But Babelway facilitated the whole process, coming up with a solution that is well worth trying. As far as food distribution in Belgium is concerned, apart from a few exceptions we have some ground to catch up.

To achieve a real paper-free environment, which lies at the heart of all IT systems, the Babelway solution meant allocating the resources we'd saved to improving the quality of the information.

With Babelway, it's fast, it's not cumbersome and, for projects which clearly need it, it's a great opportunity.