



BUILDING THE NEW ERA OF LUXURY RETAIL WITH IT PORTFOLIO MANAGEMENT IN THE CLOUD

Customer Profile

This leading multinational luxury fashion group has grown over the years through acquisitions and seen sales thrive for its high-end fashion products, attaining billions in global sales revenue.

New Challenges

- Rapid expansion
- Major acquisitions
- Global competition
- Growing cost pressure

Software AG Solutions

- Enterprise Architecture Management powered by Alfabet
- IT Planning and Portfolio Management powered by Alfabet
- Global Consulting Services

Key Benefits

- Slashed costs
- Aligned the IT organization to business objectives
- Achieved single company, multi-brand enablement
- Met Wall Street M&A expectations
- Simplified the enterprise architecture
- Planned \$100 million in IT savings

Creation of an American fashion supermodel

This multinational luxury fashion company was born from the humblest of beginnings. Started by six leatherworkers in a New York City loft in 1941, the company became an international powerhouse through several major acquisitions in the past decade.

Such acquisitions, worth more than \$3 billion, would have posed a risky prospect in any industry. In the luxury fashion business, where competition is coming from all directions, such moves are make or break.

And break wasn't an option.

The company's IT leadership team wanted the Information Systems (IS) teams to have visibility into their portfolios to be able to develop project plans

and future IT strategies to support the company's ambitious business transformation goals. The piecemeal process in place at that time involved manual updates to an Microsoft® Access® database, visualization in the Visio® modeling tool and PowerPoint® for presentations. Information on the portfolio was updated twice a year—not a good basis for road mapping and investment decisions that needed to be made on the turn of dime. The company needed a centralized platform for IS and Enterprise Architecture (EA) to collaboratively collect the information necessary for planning IT support for business goals and strategies. This platform should enable road mapping toward a future state architecture including key financial indicators.

"This luxury fashion group depends on Alfabet to deliver IT landscape views to all relevant stakeholders—it is the trusted source of IT portfolio information across their entire enterprise and all of their brands."

— **Barry Spellman** | Account Executive, Software AG

So in 2014, the luxury fashion group turned to the only comprehensive solution in the industry for managing IT planning and enterprise architecture: Alfabet. With acquisitions on the horizon, the company asked for help from Software AG Global Consulting Services to achieve faster gain with less pain and harness Alfabet as an agile, cloud-based platform for all that would follow.

“No other vendor offered a true cloud solution nor the product functionality and scalability,” said Barry Spellman, Account Executive, Software AG. “So after a series of pilot programs in which Alfabet was pitched against Mega and Troux®, it clearly outperformed. Few vendors could meet the company’s needs while actually adding value to their business intelligence, infrastructure and IT business operations functions. And because Software AG’s solutions offer so many capabilities and linked platforms, when they want to expand their capabilities, they no longer have to ask if it’s possible.”

Now, as part of a wildly successful digital transformation, Alfabet is the company’s gateway to next-generation planning, system transparency, omni-channel consumer experience and supply chain optimizations.

And that’s not all. Alfabet is also at the heart of the luxury fashion group’s initiative to save \$100 million in IT costs in just three years.

From one star to a shimmering constellation

The defining question at the very center of the company’s successful transformation was: How to go from one brand to many and secure cost efficiencies?

The leather-goods business was thriving. That wasn’t an issue. But there were tantalizing benefits to the company if it could maintain its identity while building an all-star constellation of complementary brands. This, coupled with optimized resource deployment thanks to 2017 Software AG partner of the year Visual Enterprise Architecture, would open the

doors to massive savings while meeting market and Wall Street demands for real-time visibility, operational efficiency, connected commerce and omni-channel retail.

With Alfabet on board, the luxury fashion group had the technological foundation it needed. The company was able to surmount accessibility and scalability hurdles, improve collaboration across brands, and achieve better transparency, foresight and agility in planning IT expenditures.

The road ahead

As a bonus, because Alfabet comes with full cloud-based options, the luxury fashion group was able to roll out implementation at record speed and could now start planning for the future.

With Alfabet, the company now has: strategic alignment between business and IT and a delivery structure to ensure appropriate cost measures and processes; the means to drive continuous improvement of operational effectiveness within IS; and a reliable, secure and scalable operating environment.

Platform to grow

After the initial success of using Alfabet for its EA capabilities and as the foundation for integrating the disparate IT systems of the acquired companies, the luxury fashion group is ready for broad-reaching future initiatives. As a sign of its confidence in Alfabet and the Digital Business Platform ecosystem backing the solution, the company has extended its license through at least 2020.

This will help this luxury fashion group run its various brands independently, while rolling IT and billing transformations into a single-company SAP® implementation. It’s an ambitious project, made more daring because that roll out is planned for a timeline of just 18 months—the fastest ever for an SAP Fashion Management solution.

But with Alfabet and Software AG on the job, this luxury fashion group knows it’s working with the best in the business.

ABOUT SOFTWARE AG

Software AG (Frankfurt TecDAX: SOW) helps companies with their digital transformation. With Software AG’s Digital Business Platform, companies can better interact with their customers and bring them on new ‘digital’ journeys, promote unique value propositions, and create new business opportunities. In the Internet of Things (IoT) market, Software AG enables enterprises to integrate, connect and manage IoT components as well as analyze data and predict future events based on Artificial Intelligence (AI). The Digital Business Platform is built on decades of uncompromising software development, IT experience and technological leadership. Software AG has more than 4,500 employees, is active in 70 countries and had revenues of €879 million in 2017. To learn more, visit www.softwareag.com.

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