



## Halfords



### Customer:

Halfords  
www.halfords.com

### Industry:

Retailer with branch operations specialising in car and bike accessories and merchandise

### Existing Challenges:

- Planned growth in trading
- Increasing complexity arising from new store formats and range requirements
- New external business challenges, such as Euro trading

### Implementation Highlights:

Full replacement of legacy systems

### Solution Scope:

Full scope SAP implementation including full finance and customer ordering, HR personnel admin and ESS implementation, retail master data, space planning, trade costing, EPoS integration, branch and distribution centre stock management and stock replenishment

### Key Benefits:

- Improved business performance by implementing leading-edge processes
- Replaced legacy systems which were becoming unserviceable
- Created a 'future-proof', flexible infrastructure, able to support new strategic developments



### Background

With a company history spanning more than a century, more than 400 stores across England, Wales, Scotland and Northern Ireland and 12,000 product lines, Halfords is the leading car accessory and cycle retailer in the UK.

Halfords was acquired by CVC Venture Capital Partners from The Boots Company in August 2002. The new owners immediately set about transforming Halfords' business systems and key processes to ensure that resources were focused on delivering a first class in-store offer for its customers.

### The Problem

Halfords' existing systems were not well equipped to handle the current business, which had grown rapidly over 10 years and urgently required a major investment. It had suffered from a general lack of investment in IT in the years leading up to its sale by The Boots Company.

Brian Scott, Halfords Head of Business Systems, explains, "The Boots mainframe on which all core Halfords systems ran was effectively a burning platform that had to be replaced with some urgency. While Boots granted us a reasonable transitional period, we were completely dependent on their technology."

The existing platform was geared to manage a much smaller entity than the company Halfords had become in recent times. It was not flexible or scalable and the various processes ran on different

systems that were not sufficiently integrated. Moreover, it was only capable of handling the brick and mortar business, while Halfords internet business was growing rapidly. The systems also had little or no multi-currency capabilities. In short, as Scott explains, "We were land-locked and channel-locked."

Because the existing systems were not well-integrated, it was difficult to use data from different sources to make business decisions about merchandising, range planning, space allocation, or to dynamically measure store, item or promotional performance.

### The Solution

Despite the pressure to exit the Boots mainframe, Halfords understood the link between pace and risk and were not focused solely on a fast implementation.

Halfords Business Development Director Nick Wharton said, "We wanted to make sure the new processes were fully and accurately mapped. SAP is like a 60-room mansion. You redecorate and move in as you go a room at a time, rather than try to refurbish everything at once; this is the approach we took with SAP and we were supported in this thinking by CIBER Novasoft."

Halfords began implementing SAP in their HR department, then moved onto finance, followed by category management and store replenishment, and concluded with distribution centre replenishment. Halfords also deployed SAP's business warehouse for business intelligence in stages at each milestone.

***"The sharing of expertise and teamwork across Halfords, SAP and the consulting team from CIBER Novasoft was a vital factor in the success of this project."***

***— Nick Wharton  
Business Development Director, Halfords***

## The Choice

Wharton explains, "We wanted a lead partner who would fit with our business style and provide strategic consultancy, implementation skills and resources, as well as strong retail understanding. We considered many combinations of vendors until we settled on CIBER Novasoft, realising that they fit the bill and would enable us to benefit from their existing SAP experience with other major retailers."

He adds, "We were aware of CIBER Novasoft's reputation as SAP implementation experts with an ability to bridge the gap between 'system speak' and 'business speak'. This gave us confidence that they would be business focused and remove much of the learning curve for us."

"Everyone we met was knowledgeable and approachable. They did not appear as a big consultancy house. They provided excellent support during the buying process, and always found time to build a relationship with us. There was a good cultural fit between the two organisations."

## The Benefits

Alison Vasey, Business Process Manager for Halfords, is clear that the transformation of Halfords' systems has had a strategic impact on Halfords' business. "CIBER Novasoft's input has enabled the company to maintain and boost profitability, and to get itself into good shape. With the growing threat of competition from supermarkets, these systems are enabling us to support the business in terms of merchandising, pricing and promotions."

Replenishment to stores has been improved, ensuring that the right products are available at the right time. Double digit sales growth was maintained across the business despite the distraction of new systems being implemented.

Brian Scott adds, "The cost of IT has been lowered significantly, by over £1 million to date, despite the fact that our new systems are delivering much higher benefits. With a solid systems backbone now in place, we are now in a position to make further improvements across the business."

## About CIBER Novasoft UK

CIBER Novasoft is a leading SAP consultancy providing world-wide support for a range of high profile clients in the retail sector. We have maintained our reputation as the world's leading SAP Retail implementation partner ever since being the first Partner to implement SAP Retail when it was first launched in 1996.

CIBER Novasoft's success in the UK has been built on the retail industry's main priority today: integration of systems, data and processes to provide a seamless retail management and customer experience across multiple channels. Our customers include numerous high profile brand names like Booker, B&Q, Direct Wines, Dunelm Mill, French Connection, Goldsmiths, and Halfords.

CIBER Novasoft is part of CIBER, Inc. (NYSE: CBR), a leading international systems integration consultancy providing clients with global delivery services on a project or strategic staffing basis, in both custom and enterprise resource planning (ERP) package environments, and across all technology platforms, operating systems and infrastructures. With offices in 17 countries, annualized revenue run rate of approximately \$950 million and approximately 8,000 employees, CIBER's IT specialists continuously build and upgrade our clients' systems to "competitive advantage status." CIBER is included in the Russell 2000 Index and the S&P Small Cap 600 Index.



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