



About adidas-Salomon AG

Headquarters:
Herzogenaurach, Germany

Number of employees:
15,700

Lines of business:
Sport goods

Target markets:
Everybody who goes for sports pro and consumers

WebEx service in use:
Meeting Center

Has been a WebEx customer since:
January 2003

adidas-Salomon Improves Product Time to Market With WebEx Online Meetings

adidas-Salomon AG

adidas-Salomon, headquartered in Herzogenaurach, Germany is the global leader in the sporting goods industry with its brand built on a passion for competition and a sporting lifestyle. Their strategy is simple: continuously strengthen their brand and products to improve their competitive position and financial performance in the sporting goods market. Designing, manufacturing and getting their extensive line of sports products to market quickly is critical to adidas-Salomon's success.

The Challenge

The adidas-Salomon product line includes more than 20,000 items, from soccer and inline skates to outdoor jackets and snowboards, with thousands of product variations. To keep up with market demand, the company changes its product range twice a year; more often if new technologies are available and in demand. adidas-Salomon also designs products for local, vertical and niche markets. Developing this complex assortment of products means the design studios and development departments are working at full capacity and under enormous competitive pressure.

Once the designs are created, managing the production is the next critical – and often complex – step. adidas-Salomon has 900 active suppliers worldwide and more than 90 percent of their products are produced in outsourced manufacturing locations around the world. With such a large amount of manufacturing outsourced, communication between designers and suppliers is critical.

adidas-Salomon's IT department plays an important role in the success of bringing products to market. External service providers render about a quarter of the IT services. This includes network management as well as hosting and operating their SAP systems. The other 75 percent of IT is managed in-house. In-house activities are mostly company-critical tasks. This includes the core application for product data management (PDM). Managing this application in-house is understandable, considering the huge product range adidas-Salomon produces.

The PDM application was created over a period of two years at three different locations: Herzogenaurach near Nuremberg, Portland (Oregon), and in Hong Kong. The first departments to use this application were Design and Marketing. Once successfully deployed internally, the PDM application was then introduced to adidas-Salomon's external manufacturing suppliers in East Asia to allow them to participate and collaborate early in the product development lifecycle. The effort required to coordinate such a major





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adidas-Salomon AG

roll-out project with dozens of employees and suppliers world-wide was enormous. The process included allocating work tasks, controlling project progress, assessing functional tests, and finally the release and specification of roll-out plans.

The Solution

adidas-Salomon decided to select an online collaboration solution to manage this implementation – both internal and external – of its critical PDM application. The company selected WebEx Meeting Center in January 2003 as its web meetings applications provider to support this critical project. With WebEx Meeting Center the PDM project team could use web-based meetings to communicate and collaborate amongst the participants, instead of having regular meetings and workshops at one of the three locations, which would have been very costly and time-consuming for the company. With WebEx, adidas-Salomon’s team members could now communicate online in real-time and share and collaborate on work process presentations, documents, or applications. And, while sharing documents visually in the meeting, discussions could occur in parallel via telephone conferencing.

“Using a video conferencing system as alternative to the web-based meeting solution was discarded very quickly,” reports Ronald Urban, Incident Management specialist, Global IT Service Desk at adidas-Salomon in Herzogenaurach. “Especially in China, where many adidas-Salomon production sites are located, the telephone lines used to transfer data from video conferencing systems are not reliable enough.”

It’s very easy for the participants to join the web-based meetings with WebEx. After receiving a meeting invitation via e-mail, it only takes a few mouse clicks to log in. The service is then available immediately. These applications are independent of platform and can work with any PC.

The Benefits

Since implementing WebEx Meeting Center in January 2003, between 120 and 150 project participants from the adidas-Salomon staff in Design, Product Development and the Marketing departments, as well as employees from the external production sites in China, have used this web-based meeting solution.

More than half of the employees using this solution are based in Germany with the remaining 20 percent in Hong Kong, 20 percent in Portland and about 10 percent of the participants are outsourced vendor participants. At peak times, adidas-Salomon holds 100 web-based meetings a month with an average of 60 meetings a month.

Urban adds: “Even if the project participants needed to meet personally every now and then, the amount of traveling expenses saved by using WebEx Meeting Center is enormous.” He continues, “We’re talking about five to six-digit amounts here for the entire project.” Instead of wasting valuable time traveling to meetings, employees are far more productive by using web conferencing.





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With outsourcing a key element in adidas-Salomon's manufacturing process, the IT department quickly saw the benefits of using the WebEx solution as they would not have to set up hardware and software which they would have had to do with other web conferencing suppliers, thanks to WebEx's MediaTone technology. The MediaTone technology uses the T.120 standard, a protocol for independent platform data communication in real time.

"Next to reliability, security is one of the central facets of the WebEx solution. After all, important subjects are discussed and confidential information is exchanged during web-based meetings," Urban stresses. "The information and contents of a WebEx web-based meeting is a visual representation of what is on the presenter's computer. Unlike the solutions of other providers, they are not stored on a server. The advantage – the data does not have to be uploaded first, and it is practically impossible for intruders to hack the information." The data is encrypted with 128 bits and SSL (Secure Socket Layer) for write-access to the data copy.

Urban concludes: "WebEx Meeting Center is a perfect fit for the PDM project."

The Future

Since using the WebEx solution for the PDM project team, the US Portland office has discovered how to leverage it for training. Data and video – with an additional webcam – are transmitted in real-time so that web-based training can be carried out just as easily as a normal classroom course. A browser suffices to organise and implement interactive live courses for employees, partners, or customers at any time and any place.



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