

Coty Inc.

*Faster, further
and freer with
iWay Software*

Coty Inc. is one of the world's largest and most successful beauty companies with sales of \$3 billion in 2006. From adidas to Davidoff, from Rimmel to Lancaster, from Celine Dion to Jennifer Lopez, Coty boasts a global brand portfolio of unrivalled breadth and scope, spanning the three core categories of fragrance, color cosmetics, personal care and skincare in the prestige and broad distribution sectors. In July 2005, Coty acquired Unilever Cosmetics International (renamed internally to LCI) that includes the Calvin Klein, Vera Wang, and other brands.

Coty Inc. is comprised of two divisions: Coty Prestige, which develops fragrance, color cosmetics and skincare for the prestige sector, and Coty Beauty, which sells its products in mass and "masstige" distribution. Both divisions encompass a strong portfolio of highly distinctive brands, some of which are international best-sellers, while others are leaders in key regional markets in Europe and North America. Coty Inc. currently operates in over 28 countries and employs 8,000 people worldwide.

Coty moves ahead in the very competitive world of luxury consumer

SNAPSHOT

Organization: Coty Inc. is one of the world's largest and most successful beauty companies with sales of \$3 billion in 2006.

Challenge: Integrate in seven months the IT systems for the worldwide logistics and warehouse operations.

Strategy: iWay Software integration technology will be used to create a complete SOA architecture connecting SAP R/3, Oracle 11i, Genecod and JBA to JDEdwards.

Results: High speed implementation; Standard solutions eliminating manual coding; Reusable integration solutions; Robust and future proof integration infrastructure; SOA ready.

Information Builders Solution: iWay SOA

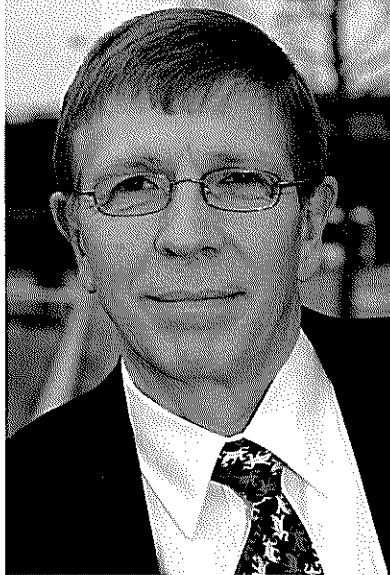
goods. Agility and quick response capabilities are crucial to be able to stay in pace with the ever changing consumer. IT systems must give freedom of movement instead of hampering the company's flexibility. State-of-the-art IT integration provides Coty with the needed operation speed. Faster, further and freer. Those are Coty's leading principles, in marketing, in business and in IT. IT integration is a big thing with Coty. The company acquired several brands and organisations, all with their own infrastructure therefore making integration even more urgent during 2005. David Berry, Coty's Global CIO: "We had two strong business drivers for creating a new integration infrastructure. We were on the verge of signing a big and long term outsourcing contract with IBM for procurement and our systems needed to be integrated with IBM's. The other business driver was the acquisition in July 2005 of several of the Unilever brands, with Calvin Klein as the best known label. "The Unilever acquisition forced speedy integration to be able to leverage the benefits." Unilever runs a separate infrastructure that needed to be untwined and tightly integrated with Coty's. "To operate faster, further and freer, we need to become a near real-time organization. There's extreme pressure from the business to deliver full integration by the end of July 2006." The project took off in January 2006.

No-coding interfaces

The traditional approach of writing software to make the connections would not do any longer for reasons of time and complexity. Berry wanted to move quickly and without the high costs that are associated with manual code writing. "We have too many systems and it would take us too much time doing it by hand." Handcoding would also stand in the way of another objective for Coty: entering the SOA arena for example. Information Builders/iWay Software were invited to help in building the new integration architecture for Coty's worldwide Supply Chain Management operations: ordering, logistics and distribution. The integration should be based on the proved and standard solutions of iWay and should in the end lead to a true SOA. iWay Software offers a point-and-click, no-coding interface to create services from any application.

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menting SAP throughout the enterprise and iWay adapters have proven to deliver robust SAP-integration. We preferred a third party solution to avoid a vendor lockin. Also the price perspective played a role in our decision in favour of Information Builders." Coty consulted Gartner during its decision making and Gartner's opinion on the iWay approach also supported the choice for Information Builders. The integration initiative is a major project for both Coty and Information Builders, for reasons of scale, complexity and strategic importance. John Senor, President iWay Software, is personally involved to see to ensure the project maintains the high-



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est priority and gets the best resources within the company. Also Accenture, being Coty's SAP implementation partner, and IBM as the outsourcing partner for procurement, need to stay tuned in. A lot of effort is put in the training of all participants in the new technology. As iWay Software provides reusable integration solutions, also an important selection criteria for Coty, this training effort can be minimized and stay limited only to the beginning of the project.

The complexity of Coty's IT environment will be familiar to many global corporations and manufacturers: production plants in 4 countries, many distribution hubs, multiple ERP platforms (SAP, JDEdwards and legacy) and databases (Oracle, DB2), hundreds of thousands of messages exchanged every day. iWay will be used to connect all the related messaging and data transfer via XML services and iDoc's. Also, the IBM Procurement application will be connected via XML. Later, customers and suppliers will be connected, via (web)services. "For speed's sake we have started with a more traditional hub-and-spoke environment. After the integration infrastructure has been implemented in July 2006, we will build the next generation of integration and implement the full Enterprise Service Bus of iWay to create a true worldwide Services Oriented Architecture. But we don't want to rush to nirvana." ●