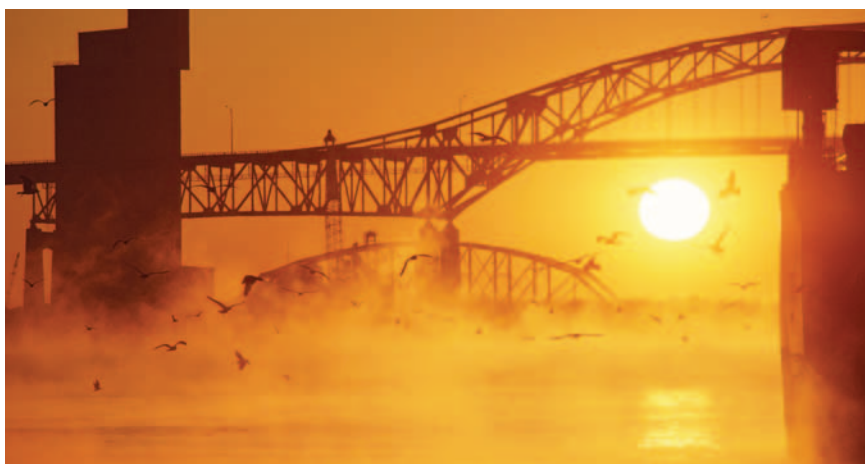


Ferrovial builds on excellence with IBM and SAP.



Overview

■ The Challenge

To replace disparate applications and custom-built interfaces with a standard, group-wide ERP system, for improved efficiency, lower costs and improved reliability.

■ The Solution

Industry: Industrial

Application: SAP® R/3®

Hardware: IBM®server®zSeries™

IBM®server xSeries™;

Services: IBM Global Services and Accenture

■ The Benefits

Improved integration, lower IT costs, faster reporting, improved decision-making, better availability, and ample room for future growth.

Constructing a solid business.

Founded in 1952 and headquartered in Madrid, Spain, Grupo Ferrovial S.A. (Ferrovial) is Europe's second largest construction company in terms of market capitalisation. While construction remains Ferrovial's core activity, the company has diversified into complementary areas of business, including infrastructure, real estate and services, which now account for 68 % of turnover. With more than 28,000 employees in a dozen countries around the world, Ferrovial is consolidating its position as one of the world's leading construction groups.

Looking to the future, Ferrovial aims to create shareholder value by increasing its turnover and profitability, and will both internationalise and diversify its activities to achieve this goal. The company is also committed to attracting and retaining the best professionals in each of its operating areas, and to making use of the latest technology in all production and management processes.

Improving support.

As part of a drive to increase profitability, Ferrovial needed to focus on cost-control and efficiency across its entire business. This was difficult to achieve with its existing IT infrastructure, which consisted of multiple independent applications and numerous cross-application interfaces. The cost of maintaining these systems was high, and the technology was no longer able to meet Ferrovial's business needs. Problems with availability were beginning to impact on internal efficiency, and the lack of scalability inherent in Ferrovial's legacy software and hardware was threatening to impede the company's ambitious growth plans.

"We wanted a group-wide ERP application that could support accounting, controlling and financial applications in a flexible environment," says Ignacio Martinez Jorcano, Chief Information Officer, Ferrovial. "Equally, we wanted to consolidate and update our hardware in order to optimise response times and CPU consumption, and also to avoid batch processing during normal working hours."

Low-cost power.

Ferrovial selected SAP R/3 on account of its market leadership and reputation for reliability, then conducted a thorough assessment of hardware platforms. With total cost of ownership a key factor, Ferrovial determined that IBM®server zSeries with DB2® Universal Database™ would be the most robust

and cost-effective database server for its needs. Ignacio Martinez Jorcano comments, "As long-standing IBM mainframe customers, it was satisfying to know that our original choice had been vindicated. IBM has been a good partner over the years, so choosing a solution that would leverage this relationship was a natural choice for Ferrovial."

With the new IBM **@server** zSeries 800, response times for the SAP users have improved dramatically, and batch processing can be completed outside normal office hours, ensuring that data availability is maximised when it is needed most.

x for excellence.

Accenture handled the functional implementation of the SAP system at Ferrovial, and IBM Global Services provided technological consultancy, and architectural design and sizing on the hardware side. In both cases, the external teams worked closely with internal experts, to ensure knowledge transfer. Ignacio Martinez Jorcano quotes: "It was a great partnering experience, very professional. For us a proofpoint that teamwork brings success."

A single z800 server acts as the database and central instance server, using DB2 V6, DB2 Performance Monitor and DB2 Workload Manager running under z/OS® and database size of appr. 100GB, hosting 500 named users. As application servers Ferrovial selected six IBM **@server** xSeries 440 Intel®-based servers running Microsoft® Windows®.

"We chose the x440 servers because it offered high build quality and best-of-breed technology at a good price," says Ignacio Martinez Jorcano. "It delivers excellent performance for SAP, and is also highly reliable."

Accelerated business.

Ferrovial now uses a suite of SAP solutions to act as centralised accounting and control systems, and also handles material management. In addition to generating increased cost-efficiency through centralisation, the SAP solutions are tightly integrated across Ferrovial's dispersed operations, bringing increased coherence and reducing the need to maintain custom-built software interfaces. The new IBM and SAP infrastructure also provides a common platform for all new application development, which reduces software build and maintenance costs, and accelerates delivery cycles.

"With SAP and IBM, we have vastly improved the integration of our business processes," says Ignacio Martinez Jorcano, "and as a result, we are much more efficient and flexible. With more coherent information delivered at greater speed to users, we benefit from accelerated 'go-to-market' decisions, and faster end-of-month reporting."

Future coherence.

The SAP solutions have also delivered increased online analytical and reporting capabilities to business users at Ferrovial, and further benefits are expected as the company gradually integrates SAP with other internal systems, such as its intranet. Ignacio Martinez Jorcano concludes, "With IBM and SAP, we have achieved our goals of increasing internal efficiency and developing a scalable platform to manage our future growth. We now plan to integrate some of our 300+ subsidiaries into our SAP implementation, in order to improve the coherence of management information across the whole group. SAP has provided the basis needed for this initiative, and the combination of zSeries and xSeries gives us the reliability and scalability to approach it with confidence."

Further Information:

To learn more about how the IBM and SAP alliance can help your business, please visit: **ibm-sap.com**



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