



IREX Corporation finds a single integrated solution for its construction needs

SOLUTION OVERVIEW

The Challenge: Outsource an integrated and adaptable enterprise solution

IREX Corporation was coming to the end of its AS/400 lease and had to choose between making a large capital investment in new equipment or outsourcing. At the same time, the company was dealing with IT staffing issues. Both of these factors motivated the company to consider outsourcing.

According to Lori Pickell, IREX's Controller, "We had problems with employee turnover and trying to locate qualified candidates. That was probably the biggest issue that pushed us towards outsourcing. Plus, it wasn't cost-effective to implement in-house the level of IT infrastructure we needed to run our daily business operations effectively."

IREX had been using JD Edwards software since 1990, and was pleased with the product. "It was clearly a complete package that could handle both distribution and construction applications—everything from payroll to job cost and inventory to sales orders is all integrated in one place," says Pickell. "And it was flexible enough to grow with us as our enterprise expanded over the years."

After the decision to continue using JD Edwards software, the next step was to choose and outsourcing delivery partner.

Industry

Construction/Distribution

Company Profile

IREX Corporation, headquartered in Lancaster, Pennsylvania, is one of the United States' leading commercial and industrial insulation and specialty contractors. The company operates through an extensive network of branch offices in the U.S. and Canada. Specialty services include insulation ranging from cryogenic to high temperatures, installation and sales of passive fire protection systems, asbestos and lead removal, metal lagging, and noise control.

Situation

When the leasing contract expired on IREX's AS/400 system in 1998, the company needed to either invest a large capital expenditure in a new AS/400 system or contract with an outsourced service provider. With 500 salaried employees and 2,500 part-time workers at 80 locations, IREX needed a robust system that could grow as their enterprise changed over time.

IREX weighed its options and discovered that outsourcing was not only more economical, but a more robust solution than the company could implement in-house.

"With about 500 salaried employees, 2,500 hourly workers and 80 locations, the enterprise solution had to be robust—we simply couldn't afford any downtime," says Pickell. "By outsourcing with WTS, we found that we could actually get state-of-the-art equipment for a fraction of the cost of purchasing it ourselves."

Flexibility was a key factor as well. WTS offers a full range of fully integrated services for a complete IT solution, including all software and hardware, implementation, training, development, hosting, and support of JD Edwards EnterpriseOne and World software. At the same, WTS provides adaptable and flexible systems that fit each customer's specific business needs and easily conforms to their individual technology infrastructure—now and down the road.

"We looked at some of the larger service providers that offered outsourcing, but they seemed to have a 'one size fits all' mentality—there wasn't much flexibility in their plans," says Pickell. "WTS was willing to work through all of the various issues that were raised by our IT department and come up with a solution that everyone could support."

WTS offers an array of value-added services, and is providing IREX with the IT help they need in several areas. The company recently utilized WTS expertise to convert its wide area network to a new frame relay technology. They are also getting advice on Internet access and gaining Web-based access to JD Edwards applications.

"We didn't anticipate that our outsourcing partner would be our first line of support for technical direction, but we rely very heavily on WTS for many of our IT needs," says Pickell. "But, you know, we came into this expecting a lot from a service provider—and we're pleasantly surprised to be getting it."



WHY WTS?

IREX's decision to partner with WTS was based on the same factors that were used to choose the software vendor: reliability, adaptability, and the ability to respond to all of the company's business management and distribution needs in one fully integrated solution. WTS' 15 years of experience with JD Edwards products, and the fact that Oracle has an equity investment in the company, also inspired confidence.

"We really needed an outsourcing partner who had a deep knowledge of JD Edwards software, and WTS had the experience to back up their promises," says Pickell. "Not only did they clearly understand JD Edwards applications, but they come from the construction business—which is where half of our customers come from"



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