Mission Linen Supply Slashes Runaway ERP Costs with Third-Party Support and Virtualization

Mission Linen originally installed its SAP R/3 4.6c system 10 years ago, using third-party hosting providers and SAP maintenance support. In 2010, as a result of a thorough cost analysis, Mission Linen made the decision to switch to third-party support from Rimini Street, virtualize its SAP software, and bring the system in-house. As a result of these changes, the company is saving $600,000 annually on ongoing support and maintenance costs for its SAP system (total costs were formerly $800,000 and are now $200,000).

Sharply Reducing Annual Maintenance Fees with Third-Party Suppport

As part of its detailed cost analysis and due diligence, Mission Linen determined that third-party support from Rimini Street offered an ultra-responsive service model, premium services at no extra charge, tailored tax, legal and regulatory updates – and a steep discount over vendor support fees. "Cost was definitely a driver in our migration to third-party support," says Mission Linen IT Director Dave Pattison. "Rimini Street had deep SAP expertise and came to us with a much lower cost structure than the software vendor."

Mission Linen went on Rimini Steet Support at the expiration of its SAP maintenance, shortly before virtualizing SAP and migrating to its in-house data center. Rimini Street was not directly involved with the virtualization/migration project, but acted in an advisory capacity as maintenance, support and configuration issues arose.

Leveraging Infrastructure Investment to Bring SAP In-House

In its cost analysis, Mission Linen determined that by bringing its SAP system in-house, it could leverage and extend a significant infrastructure investment it had previously made: it had already built and was running its own data center in Santa Barbara that had been originally set up to house an IBM mainframe. This data center was reconfigured to accommodate the company's SAP applications, technology stack and associated hardware. Direct cost savings were achieved through no longer having to pay a third-party hosting provider a monthly fee, and through more efficient change processes.

Mission
Linen Supply
MISSION LINEN & UNIFORM SERVICE

" Keeping our SAP system updated with constant hardware and related changes and updates from multiple vendors was always a pain – and expensive. Now, we can easily upgrade the hardware without making any changes to the virtual machine running our ERP processes, so it doesn't limit us."

Dave Pattison
IT Director
Mission Linen Supply

AT A GLANCE

Partner Profile:
Several Basis firms and consultants with a track record of providing SAP Basis to a variety of customers since the late 1990s joined forces in early 2006 to form group:basis. The company offers a unique service to SAP customers – recognizing that few firms offer ad-hoc, high-level Basis support for SAP installations, group:basis operates with a business model allowing it to service NetWeaver and Basis needs without the requirements and expense of a full-time, dedicated onsite resource.

Headquarters: Oak Creek, WI

Industry: Consulting

Revenue: Privately held

Employees: 11-50

"Mission Linen can guarantee that its SAP applications are going to be supportable indefinitely in its virtualized HyperV environment, because Microsoft will take the burden of ensuring that Mission Linen is always able to run its Windows 2003 operating system on the HyperV platform – for decades."

Wade Walla
SAP NetWeaver & Basis Consulting Partner
group:basis

Virtualized SAP Environment Relieves Constant "Catch-Up" Headaches

To bring its SAP applications in-house and isolate them from future hardware changes, Mission Linen virtualized them, working with SAP consulting firm group:basis (see Partner Profile at left). group:basis specializes in MicroSoft HyperV, and Mission Linen already had internal experience with HyperV – 80 percent of its servers are virtualized – so HyperV, which is bundled in Microsoft Server, was a natural, logical choice, from a management/administration perspective, for virtualizing the company's SAP applications. Mission Linen IT Director Dave Pattison comments, "group:basis provided a lot of the expertise that we needed to do the migration – we couldn't have done that ourselves, all the conversion and getting it up and running."

With its SAP and Microsoft Windows environment virtualized and finally stable, Mission Linen has successfully isolated its ERP system from future hardware changes. The combination of virtualization and third-party support has eliminated the requirements of continually investing in changes to the operating system and constantly trying to keep up with software vendor platform certifications.

Virtualization and Third-Party Support Reduce Total Cost of Ownership

Third-party support gives ERP licensees 10+ years runway to keep their mission-critical applications running, replacing vendor annual support with guaranteed savings of 50 percent while providing an ultra-responsive support program with premium services. Virtualization enhances and augments your third-party support strategy by encapsulating your ERP applications and insulating them against inevitable future technology stack changes. Benefits of virtualization include:

- Manifold reduction in total cost of ownership
- Manifold increase in flexibility of environment – your ERP applications are no longer tied to your hardware refresh cycle
- Layer of independence from interoperability conflicts related to physical hardware, operating systems, databases and browsers

Rimini Street and Virtualization: A Smart Path Forward

Supporting a virtualized system is no different than supporting a normal system – the fact that it's virtualized is invisible to the support team maintaining the software.

Rimini Street is successfully supporting virtualized environments for multiple clients today, and has every plan to do so in the future. So does SAP – it began supporting production virtual environments over three years ago.

Rimini Street supports companies running virtual environments. This gives SAP licensees a smart path forward:

- With SAP running as a virtual machine, organizations will experience reduced server costs and a more stable application environment, with the prospect of greater continuity on a go-forward basis.
- Rimini Street Support enables SAP licensees to save 50 percent on annual support fees and remain on their current software release without any required upgrades or migrations for the next decade and beyond.

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