



**Blockbuster App**

An average 500 users a day—including managers at Blockbuster, Foot Locker and The Limited—log on to the WebFOCUS-powered CadenceEnterprise Web site to access up-to-the-minute billing and procurement data.

# Cadence Network Manages Utilities Spending for Multiple-Site Businesses

INFORMATION BUILDERS' INTERNET REPORTING SOLUTION HELPS REDUCE COSTS AND BOOST PROFITS FOR RENOWNED CADENCE CUSTOMERS

**S**anitation, utilities, maintenance and operations expenses—commonly called SUMO costs—can comprise up to 25 percent of the total enterprise costs for a large company. Traditionally, businesses focus on controlling expenses in the top two spending areas (labor and cost of goods sold), but have limited means of monitoring, measuring and managing facility costs. Yet those costs are staggering for a company with hundreds or thousands of locations.

“It is often difficult for multi-site companies to view and measure performance because SUMO costs are fragmented,” explains Tony Collins, Cadence Network vice president of Marketing and Strategy. “Helping financial executives recognize the magnitude of this cost segment is challenging, since these companies must deal with many locations and hundreds of vendors that are managed by several internal departments.”

While other areas of the business are measured against Key Performance Indicators (KPIs), there is no consolidated view of SUMO spending, and therefore no way to create KPIs that can hold employees, departments and suppliers accountable.

## SNAPSHOT

**Organization:** Cadence Network, Inc., an Internet-enabled facility-cost-management company

**The Challenge:** To control expenses for sanitation, utilities, maintenance and operations expenses (SUMO costs) at companies with multiple sites

**The Strategy:** Create a JAVA-based, Internet-enabled reporting system that generates custom reports for Cadence customers

**Results:** System supports an average of 500 users a day, who monitor utility usage to reduce indirect costs and boost profits. Foot Locker, for example, uses the Cadence system to pinpoint operational costs at 3,600 retail stores in 14 countries

**Information Builders Solution:** WebFOCUS

That's where Cadence Network comes in. Cadence Network is an Internet-enabled facility cost-management company that allows multi-site businesses to effectively manage and reduce SUMO costs. Cadence brings a new perspective to multi-site cost management, using reporting and business intelligence technology from Information Builders to present expenses associated with each SUMO category for any individual site. Using the Cadence solution, companies are able to consolidate previously disparate facility information into enterprise-wide reports by department, vendor or virtually any other grouping.

#### Gaining Perspective

The foundation of the Cadence solution is a Web-based application called CadenceEnterprise. The Cadence solution provides the perspective multiple-site companies need to monitor performance and manage facility costs. "The core of what we do is analytics and reporting," explains John Edwards, project manager at Cadence Network. "WebFOCUS is our reporting engine. Its job is to deliver content, and it does that job flawlessly."

Visibility into the enterprise is the key to managing, benchmarking, forecasting and strategic planning, Edwards adds. "That's why accurate reporting is so important to managing SUMO costs."

Powered by the Cadence application and the WebFOCUS reporting engine, the Cadence Network Web site ([www.cadencenet.com](http://www.cadencenet.com)) caters to an average of 500 users per day. Managers of nationally recognized companies—including Blockbuster, Foot Locker, The Limited, and many others—log on to the CadenceEnterprise Web site to access the latest billing or procurement data on a facility, view a digital copy of an invoice, collaborate on enterprise information, and many other analysis functions. Report requests are for all aspects of facility spending including utility usage. The typical Cadence customer has many departments managing many vendors across many geographically dispersed locations.

"The Web-based application can deliver usage statistics to customers, and present them from an auditing standpoint," Edwards says. For example, a query might be formulated to determine what sites are 20 percent above average energy usage, or to help find sites that are out of sync with other branches in a given geographic area. "All the presentation is done through WebFOCUS," Edwards continues. "We get positive feedback from our customers about being able to do this type of analysis."

#### Best Foot Forward

One Cadence Network customer that has improved bottom-line results using CadenceEnterprise is Foot Locker, Inc., a specialty athletic retailer that operates approximately 3,600 retail stores in 14 countries. "We use the CadenceEnterprise software as a surgical tool to pinpoint those operational areas where costs are higher than they need to be," says

Ryan Mallory, Foot Locker's energy director.

Cadence has been working with Foot Locker since 1999 to bring order to a complex network of more than 200 stores. "Companies like Foot Locker that have a distributed network of facilities find it difficult to know how much they are spending on all their utilities," says Cadence president and CEO Madeleine Ludlow. "It is difficult for this type of company to know if they are being billed for the correct amount or purchasing from the lowest-cost suppliers. The Web-based Cadence solution gives these companies a clear view of the cost performance of all their facilities."

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— John Edwards,  
Project Manager, Cadence Network

Edwards says one reason the Cadence solution is so useful is because of the flexibility WebFOCUS demonstrates in its reporting capabilities. "WebFOCUS is driven by the variables supplied by the user, and it is smart enough to decipher those variables," he says.

Powered By WebFOCUS and JAVA

Prior to implementing Information Builders' Web-based solution, Cadence had used a home-grown reporting engine developed using Microsoft Visual Basic. In order to keep up with the requirements of its customers and take advantage of modern Internet technologies, Edwards and other developers decided to move to a JAVA-based reporting system. They searched for an application development and reporting environment that could speed up the development process. "We had a tight deadline and had to choose either to develop another reporting engine on our own—a potentially lengthy process—or shop for a JAVA-based solution," Edwards recalls.

Cadence evaluated numerous application development and reporting solutions, including Information Builders' WebFOCUS, Business Objects WebIntelligence, and Viador Reporting Portal. "WebFOCUS was the top contender," says Edwards. "The price was competitive, and we liked the power and flexibility of the WebFOCUS reporting engine. Around that time, Information Builders announced the release of its JAVA-based version of WebFOCUS, which really motivated our decision. The product fit perfectly with what we wanted to accomplish."

Cadence brought WebFOCUS in-house and quickly got



up to speed developing applications in this flexible, user-friendly environment. "The learning curve was minimal," states Edwards. "After a couple of training sessions with Information Builders, we were on our way and were fully functional in about three weeks."

Developers were particularly pleased with the power of the application development environment that underlies the WebFOCUS reporting tools. "We need fine-grained control," Edwards explains. "WebFOCUS has a powerful point-and-click development environment, and the FOCUS programming language lets us drop down into 4GL code for more complex requirements."

According to Edwards, the FOCUS environment is especially good for creating object-based reporting programs. "Because of the flexibility of the FOCUS language, we were able to embed WebFOCUS inside our application environment," Edwards continues. "WebFOCUS has become a best-in-class component of our architecture."

#### Adapting to Changing Business Needs

Cadence was a beta site for WebFOCUS servlet technology and was one of the first users to put into production a WebFOCUS application based upon a Java Server Pages (JSP)-based architecture. "The JAVA servlet technology fit nicely into our architecture," adds Edwards.

Cadence developers embedded WebFOCUS components into the CadenceEnterprise application, creating a hosted, password-protected Web application that increases the visibility of the procurement data buried in SUMO invoices. In simple terms, it makes facilities management more efficient.

"One of the most important elements of our business is the reporting we do from the usage information," says Edwards. "That is where WebFOCUS fits in—it is the reporting engine within the CadenceEnterprise application. The power of the FOCUS environment allows us configure that reporting engine to accommodate our changing business needs."

CadenceEnterprise gives managers a consolidated view of their organizations by aggregating frequently fragmented information and integrating data from existing legacy systems. It reflects the unique circumstances and requirements of an enterprise because it is customized on the basis of needs analysis and an assessment of indirect operating costs, processes and procedures.

#### Accommodating Unique Requirements

CadenceEnterprise includes many options for generating reports, according to user needs and preferences. "We have a script that can be passed to more than 40 different arguments to get billions of combinations of reports. The scripting language in WebFOCUS lets us create this variable environment," says Edwards. "It has more flexibility than any other product we evaluated."

Cadence customers—who typically include energy consultants and accountants—commonly log on to the Cadence Web site to request energy usage reports. The reports can be displayed in a default format or modified to display specific information such as the usage of a specific energy type, spending within a particular date range, or sites with utility costs above a certain dollar amount.

"WebFOCUS is easy to use—that is very important to our customers," says Edwards. "In addition to being flexible with reporting parameters, WebFOCUS can output information to an Excel spreadsheet for further manipulation, or to a PDF file for printing purposes."

Looking ahead, Edwards foresees leveraging the capabilities of WebFOCUS to streamline report-distribution activities as well. "We'd like to create reports automatically and distribute them by email so we can proactively deliver information," he concludes. "Users could set up rules that determine what they want to see, then WebFOCUS would send the information by email on a regular basis. This is just one more example of how WebFOCUS is becoming an integral part of our business." ●

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