SPINNAKER SUPPORT

MERICHEM COMPANY

CHALLENGE

The initial driver that led Merichem to third-party support was purely around cost reduction. The IT team was faced with decreasing budgets because of falling oil prices and needed to do more with less budget. The company was faced with the following challenges brought on by their current relationship with Oracle surrounding their EBS 12.1.3 environment.

- No negotiation possible with Oracle to adjust their pricing structure
- No negotiation on removing products never deployed or no longer utilizing
- Increased dissatisfaction from Oracle support for their 12.1.3 release
  - » Time-consuming process to open a Service Request
  - » Severity 1 issues passed around with little to no ownership
  - » Issue resolution times increased significantly
- Limited opportunity for future ROI based on Oracle's EBS roadmap

Merichem had offloaded their platform support to a third-party hosting company in 2013 and began to research alternatives to Oracle support within the next couple of years.

APPROACH

Merichem continued to experience disappointment with the quality of Oracle's support, and under sustaining support, they were no longer receiving key services for the amount of support spend. Their future IT strategy depended on the elimination of the requirement to remain current on patches to remain supported, a reduction in the internal IT workload, and the need for knowledge transfer and enhanced support features.

The company needed to make a change prior to their Oracle support expiration date, which was quickly approaching. Because of their infrastructure configuration, Merichem had a limited number of IT staff to support their Oracle technologies and application environments. Merichem had discussions with two third-party support vendors but quickly decided to select Spinnaker Support based on flexible contract terms, simplified legal process, and strong financials that met the company's requirements. Not only did the company seek cost reductions, but also sought to improve the quality of support and services received. The company needed a support provider that could initiate a quick and comprehensive archive of required files and updates within less than a 30-day window.

Client Background

Merichem Company was founded in 1945 as a global partner serving the oil and gas industries with focused technology, chemical, and service solutions. Merichem's experience building the phenolic business provided the foundational center of excellence in knowledge of caustic treating and caustic management.

Headquartered in Houston, TX

INDUSTRY & ACCOUNT DETAIL

- Chemicals - Manufacturing
- NAICS Code: 325199
- Annual Revenue: $75,000,000
- Employee Count: 450
- Corporate HQ: Houston, TX
- Website: http://www.merichem.com/

GLOBAL LOCATIONS

- Locations – US and China

LANGUAGES SUPPORTED

- English

> " Spinnaker Support engineers go above and beyond to resolve issues in a timely manner and helped us implement significant processes efficiencies. The additional value of the advisory services have saved us time and afforded us substantial cost savings on consulting and implementation fees. "
>
> — Deborah Jones, Oracle Applications Manager

SOLUTION

By exceeding Merichem Company's strategic requirements, the decision to move to third-party support with Spinnaker Support was an easy course for their future. Spinnaker Support is the leading third-party provider of global Oracle application and technology support for over 1000 organizations worldwide. Our comprehensive and unmatched software support model delivers a broad range of value-added services in a highly responsive manner while providing expert services through an on-shore EBS, Oracle Middleware, and Database support team.

The following solution was implemented by Spinnaker Support to allow Merichem to achieve their desired state:

- Full service, comprehensive support model

  » Assigned a senior team of Oracle software engineers leveraging proven methods and global infrastructure to deliver exceptional support services for the company's portfolio of Oracle technologies and applications.

  » Full stack security and vulnerability protection.

  » Support for required Tax and Regulatory updates.

- Significant cost reduction of annual support greater than 55%.

- Established a flexible contract agreement which allows Merichem and Spinnaker Support to scale support services and fees based upon actual software usage and call volumes.

- Leveraged a partner with a stable, financially secure, independent, and flexible focusing on business needs and customer satisfaction.

- Full archival of 12.2 for future upgrade options allowing the company to define their own upgrade timeline.

RESULTS

Since Merichem became a Spinnaker Support customer in May 2016, the company has reported savings in support fees near 60%. The company has implemented multiple operational efficiencies in process improvements with the help of Spinnaker Support's staff of Oracle experts. Immediately recognizing benefits afforded by Spinnaker Support within Oracle Projects, Oracle Transportation Management, 1099 updates, and advisory services for new product implementations. Additionally, they are getting far superior Oracle applications and technology support and have no plans to return to Oracle for future support or products.

FULL SERVICE SUPPORT BENEFITS

- Redesign of Oracle Project templates for process efficiencies

- Knowledge share sessions to counter employee turnover within OTM

- Custom 1099 update delivered in early October

- Advisory Services for Fixed Asset and iProcurement implementation projects

- Enhanced support for security across all layers of ERP systems

- Quick resolution times on all logged issues and immediate resolution to a lengthy backlog of open Oracle service requests

ENVIRONMENT

- Oracle E-Business Suite 12.1.3

- Hardware – Oracle Enterprise Linux v2.6.18, Oracle Virtual Machine

- Oracle Database 11g

- WebLogic Suite

- Modules: Financials, Human Resources, Oracle Time & Labor, Sales, Order Management, Inventory, Quality, Supply Chain Planning, Procurement, Process Manufacturing (OPM), Oracle Transportation Management (OTM), Self Service, Projects, iExpense, Integrations, and Application Administrator

SERVICES PROVIDED

- Oracle E-Business Suite Support

FOR MORE INFORMATION

Our case studies give an inside look at the experiences of other companies that have used Spinnaker Support for their SAP & Oracle software support needs. Visit https://spinnakersupport.com/client-success-stories/ to read other client case studies.
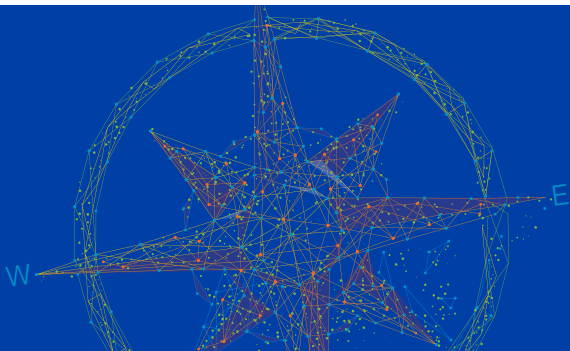
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