



## “The Cost of Running on the Mainframe was Far Too High”

“WORKING WITH TWO ENVIRONMENTS WAS BECOMING INCREASINGLY UNSUSTAINABLE”

Axfood is one of the largest food retailers in Scandinavia, with around 400 stores in Sweden, Norway and Finland. Operations in Sweden comprise Dagab and Axfood Närlivs, as well as a number of wholly owned store chains. With around 8,500 employees and a turnover of SEK 35m in 2001, Axfood is a leading player in the food retail and distribution market in northern Europe.

### Background to the conversion project

“WE NEVER ACTUALLY CALCULATED THE COST OF HAVING PROGRAMMERS WORK ON TWO ENVIRONMENTS”

The cost of running different business operations on two environments – some on a mainframe and some on RDB – was becoming a major issue at Axfood. After considering the alternatives, Axfood opted to migrate its main database from CA-Datcom to RDB on VMS. As part of the tendering process, m2o completed a pilot project to prove that its solution was capable of converting the required programs from CA-IDEAL to MicroFocus COBOL, and that it could accomplish the migration in the strict timeframe defined by Axfood.

### Working with two environments

“The only issue for us was cost reduction,” explained Anders Spångberg, IT Project Manager at Axfood. “The cost of running our main database on a mainframe was far too high. Also we were using an outsourced service, so we had no freedom at all to control these costs.” Axfood had established a new environment a few years before, and was already writing and implementing applications on it, meaning that in effect, it was supporting two environments simultaneously. “We never actually calculated the cost of having programmers work on two environments,” said Anders, “but it made sense to limit this to only one, and bring the management of our main database back in-house, where we could have more effective control over it and its associated costs.”



**“THE COST OF REWRITING THE APPLICATIONS WAS SOMEWHERE IN THE REGION OF TWO TO THREE TIMES THE EVENTUAL COST OF THE CONVERSION PROJECT”**

**“IF YOU ARE ALREADY SHORT OF PEOPLE AND RESOURCES, IT MAKES NO SENSE TO TACKLE SUCH A CONVERSION PROJECT YOURSELF”**



## **The available options were limited**

“We looked at some alternatives to conversion,” said Anders. “We even did some rough calculations of what it would take to rewrite all of the applications without changing anything, but this was never really a serious option.” The cost of alternatives was prohibitive. “The figure was somewhere in the region of two to three times the eventual cost of the conversion project.”

## **Resources rule out an internal solution**

Axfood looked at developing a solution in-house, but quickly ruled that out. “This was going to be a one-time project. If you are already short of people, it makes no sense to tackle such a project yourself.” Axfood decided that a third party solution was the only option, and chose to research potential vendors.

## **Knowledge proved decisive in choosing a solution**

Three solution vendors were considered, but the stipulation that a pilot project should be completed, was decisive. “One leading contender met all the criteria we had set, but the cost of its pilot would have been too high – at least a third of the total cost of the contract”, explained Anders. “Its conversion tool lacked the ‘universality’ of the m2o I2C (ideal to cobol) conversion solution, which did not have to be rewritten especially for our project.” m2o’s knowledge of the target environment and the solution was thought by Axfood to be superior. “m2o accepted the criteria and objectives we had set, and did not try to talk us into moving to an environment that suited its knowledge and previous experience more than it suited our business needs,” said Anders.



## THE KEY BENEFITS OF M2O, AS HIGHLIGHTED BY AXFOOD:

- **KNOWLEDGE OF THE TARGET ENVIRONMENT**
- **EXPERIENCE OF SIMILAR PROJECTS / WORK CRITERIA**
- **METHODOLOGY PROPOSED FOR THE CONVERSION**
- **ABILITY TO PERFORM A COMPREHENSIVE PILOT**
- **THE 'UNIVERSALITY' OF THE I2C TOOL, AND ITS ABILITY TO SAVE TIME AND EFFORT**
- **COMPETITIVENESS OF THE M2O SOLUTION**

### Timescale for the conversion project

"It was the ability of m2o to provide a realistic implementation timetable, and stick to it that impressed us" explained Anders. After an initial delay, m2o was able to deliver the key components of the project on time, and make the necessary enhancements and changes without causing problems. "We became bogged down in Y2K issues, but m2o proved to be flexible to our changing priorities and deadlines," said Anders. "Towards the end of the project we requested that m2o make additional site visits to assist with the implementation of the solution." m2o was able to oblige, and provide the staff to solve Axfood's problems and keep the project on track.

### Familiar screens, enhanced performance

"Bar some minor screen changes, the users experienced no differences on the new system," insisted Anders, "but what surprised us most was the increase in performance." Daily processes that had taken around two hours before, were taking only forty-five minutes to complete after the conversion project. "This was very significant, as these processes were the most resource-hungry ones."

### Controlling costs with I2C conversion

"We calculated that forty percent more staff would be required in the first year of operations, but we didn't have to recruit anyone," enthused Anders. "We now have exactly the same number of programmers as we had before – even though the database is no longer outsourced." Operational costs were around SEK 9m on the old mainframe, but dropped to SEK 2m a year for the new environment (including hardware costs).

## The Leading Experts in Data Conversions and Migrations

“It meant that the project paid for itself after around two years,” said Anders. “This fitted our most optimistic calculations.” Conversion meant that Axfood was able to effectively control costs and performance.

### Working with m2o

“We were pleased with the way m2o was able to work alongside our staff, and its solution fitted very closely with our working practices,” concluded Anders. Once the converted programs were in production, very little support was needed from m2o. “Very few errors actually came up, and our programmers were already familiar with the environment.” The project had been far less painful and expensive than Axfood had anticipated.

### Automated CA-Datacom Migration and Conversion

m2o is a leading provider of data migration and application conversion solutions that unlock the value of relational databases and legacy systems. m2o specializes in transforming legacy applications, including automated conversions from CA-IDEAL to open languages such as COBOL and Java and migrations from CA-Datacom to open databases such as CA-Ingres, Oracle, DB2 and SQL Server. m2o provides automated conversion tools and migration services that offer wide platform coverage, exceptional accuracy and clear Return on Investment that are unmatched by any other vendor or solution. m2o has over ten years experience with a worldwide customer base of blue-chip organizations that benefit from its unique expertise and automated tools.

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