

# HUMMER® Dealers Triple with Strategic eBusiness

## Summary

AM General, manufacturer of HUMMER brand vehicles, was able to triple the number of dealers that it serves while simultaneously decreasing overhead by implementing a web-based, dealer communications solution. The payback for the initial investment, based solely from the elimination of 800# phone charges, was four months.

## Overview

The AM General HUMVEE® is the ultimate go-anywhere, do-anything vehicle. After the 1991 Persian Gulf War, many consumers wondered how they could purchase this military vehicle. Arnold Schwarzenegger, the actor, was one of the most prominent. This consumer demand led to its commercial sale under the HUMMER brand.

By the mid 1990's, it was obvious that the HUMMER brand had a huge following. Consumers liked the rugged look and ultimate performance of the original HUMVEE (now branded as the HUMMER H1), but many could not afford to purchase the vehicle. Through a partnership with General Motors, the HUMMER H2 brought the brand to a price point that was affordable to a much larger consumer group.

The introduction of this high-volume product was a big change for AM General. One aspect of this change was a tripling of the number of dealers supporting the product. When you have a change of business model of this scale, it makes sense to review your Information Technology base.

Projects of this magnitude require precision of implementation. Jim Turley, Manager, Information Systems for AM General recalls, "This project was very visible to both top management and the dealer body. There was a severe time deadline that had to be met."



*"The system was rolled out worldwide on time, on budget, and accomplished all of the objectives."*

*How can you beat that?"*

*-Jim Turley, AM General*



HUMMER® LIKE NOTHING ELSE.™

## Previous solution

AM General was using a legacy Microsoft platform solution for communication of business data with its dealers. Microsoft had previously dropped support for their DOS operating system. This caused huge support problems because most new devices would not work with this legacy technology!

High volume data was entered off-line and sent in batches, using dial-up lines to the server that ran AM General's commercial applications. Inquiries and low volume data entry were handled through on-line terminal sessions using a terminal emulation product. The toll free (800#) long-distance expenses for this data transfer cost thousands of dollars per month and would triple with the addition of the new dealers.

Because of numerous systems integration issues, AM General sent technical personnel to each new dealership to install the DOS solution, validate its integration, and train dealership personnel. A sudden tripling of the number of dealers would be very expensive and disruptive to operations with the DOS-based system. There would be a huge expense required for travel and staff time to install the new dealers.

AM General's corporate objectives demanded a solution that would:

- ☐ Scale to at least 4 times today's requirements
- ☐ Eliminate 800# long-distance charges
- ☐ Eliminate sending an installer / trainer to each new dealership

**HUMMER®**

**Strategic**  
Business Systems

- ❑ Reduce ongoing customer support costs
- ❑ Support current and future technology
- ❑ Seamlessly integrate with AM General's existing systems for Vehicle Distribution, Parts Order Processing, and Warranty Claim Submission

### New solution

Rather than upgrade the legacy Microsoft platform, AM General chose to implement an IBM eServer iSeries (AS/400) web based solution from Strategic Business Systems (Strategic), of Ramsey, New Jersey ([www.sbsusa.com](http://www.sbsusa.com)).

Strategic's Web-based Dealer Communication System met all of AM General's requirements and provided many additional benefits. Because it is AS/400 based, it can scale to hundreds of times AM General's existing requirement with no change to the software. Because it runs on the same AS/400 as AM General's existing applications, there is no middleware involved. Training and support costs have been dramatically reduced.

The complete project lasted three months. Strategic's implementers were able to easily map AM General's existing database tables into existing data dictionary definitions for Strategic's product. Jim Turley of AM General recalls: "Part of the good news in this project is that internally things are the same. Our back-end systems are untouched. The change was transparent to us at the corporate level. We were ready to implement the system before our dealers were ready!"

A key feature of Strategic's product is its integrated training environment. In addition to an on-line user manual, it provides a totally separate web site that allows new dealership personnel to run training exercises. Other than using colors and graphics to clearly identify that it is the training environment, scripted exercises run in the same way that real transactions do.

*"Our Web Dealer Communications System includes these functions..."*

*– Debra Chambers*

#### PARTS DISTRIBUTION

Order Entry  
Order Status Inquiry  
Parts Availability  
Report Distribution



#### VEHICLE DISTRIBUTION

Demo Registration  
Dealer Transfer  
Inventory Inquiries  
Report Distribution  
Retail Locator  
Configurator  
Order Entry  
Retail Sales

#### SERVICE/WARRANTY

Vehicle Warranty Status  
Vehicle Service History  
Vehicle Recall Status  
Warranty Claim Processing  
Report Distribution

### Results and User Reactions

Debra Chambers, Dealer Communications Manager for AM General's applications, is responsible for day-to-day operations and support. Her staff provides phone support, training, and rollout of new dealer solutions. When a dealer has a systems problem, they call the hotline that her staff manages. In her words, "Moving to the web has greatly simplified our support requirements. We do not have the same integration issues that existed on the desktop systems. Dealers use the integrated training environment included in the product. Our job is much easier and we don't have to spend much of our lives on airplanes."

Dealership personnel quickly embraced the new system. Art Robinson, Parts Manager for Hummer of Sacramento says, "The transition has been seamless for us. The site works very well with its simplicity and ease of use."

Phil Box, of Southwest Supplies (in Australia) gives a key advantage of the web-based system when he says, "The main advantage for me is that I can process parts orders and warranty claims from home instead of having to return to work in the middle of the night."

Perhaps Jim Turley of AM General said it best: "The system was rolled out worldwide on time, on budget, and accomplished all of the stated objectives. How can you beat that?"

For more information, contact:

Strategic Business Systems, Inc.  
17 South Franklin Turnpike  
Ramsey, NJ 07446  
1-800-727-7260  
[info@sbsusa.com](mailto:info@sbsusa.com)  
<http://www.sbsusa.com>



HUMVEE is a trademark of AM General Corporation.  
HUMMER is a trademark of General Motors Corporation.

The AS/400 and the IBM Business Partner emblem are trademarks of International Business Machines Corporation in the United States and other countries, or both.