



SAPPORO NETEZZA IN ACTION

Sapporo Reinforces Corporate Philosophy While Benefiting the Business With Netezza

Leading Japanese brewery enables more strategic decisions and runs operational processes 60 times faster with Netezza's streaming analytic™ appliance

Sapporo Holdings Ltd sells a variety of alcoholic beverages including beer, wine, spirits and low-alcohol drinks throughout Japan. Some of its leading brands include Sapporo Black Label, Yebisu, Hokkaido, Namashibori, Sugomi Nama and Draft One. Sapporo is renowned for its '100% collaborative contract farming' system, in which farmers closely monitor the quality of barley and hops throughout all production processes. Sapporo applies the same philosophy to its non-beer products, from the initial stage of procuring raw materials onwards. These measures ensure quality control and enable the company to evaluate the environmental impact of its operations. Sapporo's corporate philosophy has garnered high regard in the market, resulting in a large base of loyal customers and the company's top-level rating for businesses promoting environmentally-sensitive management.

Sapporo has also benefitted from dramatic changes in the Japanese brewing industry in recent years. Grants to sell alcoholic beverages in Japan used to be very restricted, but liquor license liberalization has led to a diversification of sales outlets; alcohol is now sold in venues such as convenience stores and supermarkets. Japanese restaurants and bars have also become increasingly particular about their menus, changing the beers they serve more frequently than in the past. Sapporo has benefited from these trends, realizing higher sales of its best-known products, Black Label and Yebisu. Sapporo wanted to leverage those sales by marketing its non-beer beverages in conjunction with the bestsellers, but its existing infrastructure could not support these marketing initiatives.

Existing Data Warehouse Threatened by Burgeoning Data

As Fumiki Kobayashi, assistant section manager of Sapporo Holdings Limited's IT Solutions Division stated, "We used to analyze only the data we collected ourselves related to shipments to wholesalers, but we realized we needed to collect and analyze 'live' data closer to the market, i.e. the actual data for sales from wholesalers to their clients and POS (point-of-sale) data from retailers, in order to improve our competitiveness."

To achieve this, the IT Solutions Division had to administer greater volumes of data, including sales data supplied by wholesalers and the POS data supplied by various chain stores. However, as data types increased and the volume of data to be analyzed grew, the performance limitations of the existing data warehouse system became more apparent. Time spent on batch processing of data extraction, transfer and loading (ETL) increased, as did maintenance and administration costs. Moreover, it became necessary to perform analyses across multiple data marts, so system performance declined further and it was becoming harder to leverage the information effectively.

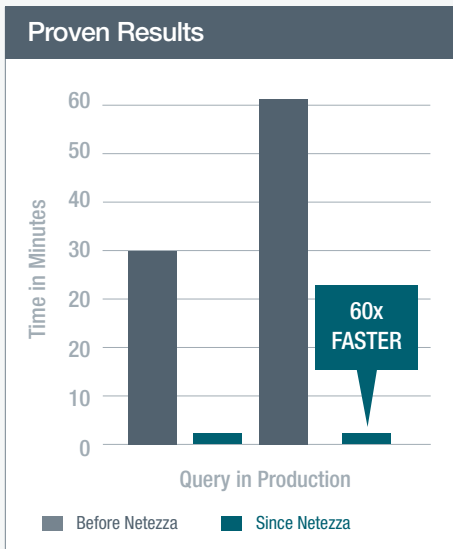


Application:

- Product Movement & Sales Analyses to Formulate Strategic Marketing Initiatives

Benefits with the Netezza System:

- Unrivalled performance enables analysis of massive data sets
- Faster strategic decision-making both on-site and at managerial level
- 30-60x faster query performance
- Backup time reduced from 4.5 hours to tens of minutes
- Database tuning eliminated despite the changing business environment
- Low-power Netezza solution aligns with Sapporo's environmental approach



"[Netezza] has allowed us to reduce system administration operations and dramatically cut operating time. In other words, less effort is now needed for operations/maintenance tasks, which is a great benefit. And we can also now develop and release new reports very quickly."

Fumiki Kobayashi,
Assistant Section Manager of IT Solutions
Sapporo Holdings Limited

Validating the Netezza Approach

Sapporo decided that it needed to restructure its IT infrastructure to provide faster data integration and usage in order to optimize business operations. It needed to install a first-rate data warehouse solution. The company began to seriously examine and evaluate various data warehouse systems. Kobayashi explained, "We had the [Netezza] product architecture explained to us in detail, and felt that it would be able to resolve the issues of performance degradation and the frequent need for time-consuming tuning that arose with our conventional data warehouse."

The Netezza system is an enterprise-class streaming analytic appliance, designed specifically for high-performance, terascale to petascale analytics. The Netezza appliance architecturally integrates relational database, server and storage in one compact, power-efficient unit. By leveraging commodity components and the "secret sauce" of its innovative streaming architecture, Netezza systems deliver 10 to 100 times the performance of other options, at half the cost. The Netezza appliance stores, filters and processes terabytes of data within a single unit, analyzing only the relevant information for each query.

The system's advantage is in its patented streaming architecture: Netezza has placed processing power next to the data, so data analysis occurs at the source at streaming speeds, delivering an unprecedented boost in performance. The Netezza system combines commodity hardware components with Linux and a high-performance database, resulting in dramatically lower total cost of ownership. In addition, the standards-based Netezza system comes in a self-contained, single-vendor rack that integrates easily into existing BI and analytic environments and there's no need for intensive database administration and system management.

Sapporo enlisted technology reseller NEC's help to validate Netezza's performance using actual data. The proof of concept (POC) focused on processing performance, connectivity and cost. To verify Netezza's processing performance, 120 million records of data used to analyze sales trends by type of alcohol in each area and at each chain store were fed into Netezza. Processing times were calculated for 12 different patterns, varying the number of sales areas and types of products in order to obtain a wide range of results. Netezza demonstrated overwhelmingly superior performance compared to Sapporo's existing data warehouse in each scenario. Next, Netezza's connectivity with other systems was validated. Sapporo uses Cognos for its business intelligence (BI) tool and JP1 for operational management; the company discovered that Netezza could easily integrate with both applications. Sapporo also determined that upgrading its existing data warehouse to configure a system that would produce equivalent performance to Netezza's would entail huge initial investment and running costs.

After the three-month POC process, Sapporo decided to adopt the Netezza solution. It migrated twenty tables of sales figures used for daily analyses onto Netezza, including performance comparisons by sales outlet and date, and comparisons of each chain store's revenues by area. The install went very smoothly and within six months Sapporo launched full-scale operations on Netezza.

Sapporo Finds Refreshment with Netezza

Sapporo's business has been revitalized since deploying Netezza. The company considers Netezza's outstanding performance the single greatest benefit; query processing that used to take between 30 minutes and one hour now produces results in less than a minute – 30 to 60 times faster! These reports allow Sapporo to watch sales trends in each area, each chain store and each period, and they are crucial to the creation of marketing strategies that minimize lost opportunities. Netezza also provides a real-time overview of the number and type of sales outlets and restaurants per area and which of the company's products are carried at each one. Additionally, Sapporo has migrated all ETL processes to Netezza to further maximize system performance.

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Fumiki Kobayashi,
Assistant Section Manager of IT Solutions
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Netezza has become an essential tool for the development of Sapporo’s marketing strategies, and its high performance enables the company to speed decision-making processes both on-site and throughout management levels.

And the benefits provided by Netezza do not end there. Comparing its previous environment to Sapporo’s current Netezza platform, Kobayashi said, “Each time the business requirements changed, we had to revalidate the existing physical design and index design, and go through the same steps once more to improve performance. Netezza, however, enables rapid access to all records, while eliminating tuning. Moreover, now that Netezza is installed, we can back up around 400 GB of data in just tens of minutes instead of the 4.5 hours it used to take. This has allowed us to reduce system administration operations and dramatically cut operating time. In other words, less effort is now needed for operations/maintenance tasks, which is a great benefit. And we can also now develop and release new reports very quickly.”


Netezza has proven to be an indispensable solution for Sapporo’s business. Furthermore, the Netezza system is aligned with Sapporo’s corporate vision to operate in the most environmentally efficient ways possible.

“We are seriously tackling environmental issues across the organization, by promoting reductions in the energy and water used at all our breweries for example. Netezza is an environmentally-friendly solution due to its low power consumption,” Kobayashi explained. “Maybe adopting a low-power solution is only a small step, but we are hoping to use this as an opportunity to gain a foothold on a variety of positive environmental measures in the IT Solutions Division.”

Netezza: A Limitless Platform for Success Across the Enterprise

Sapporo currently uses Netezza to manage two basic sets of data: unit sales data to understand the flow of commodities and financial sales data to capture information on the flow of money. Sapporo plans to expand its Netezza deployment to cover inventory and management accounting data as well, which will allow more lateral business analysis.

“Our mission is to implement thorough quality control and to provide our customers with products that focus on taste, health, safety and peace of mind,” stated Kobayashi. “We have to use data effectively if we want to enable large numbers of customers to taste our products and to know how good they are. Our goal is to gather a wide range of data from disparate sources including multiple internal company systems and the systems of wholesalers and retailers, and manage them in a unified manner in Netezza so that we can provide a structure that is genuinely useful for our workforce.”

Netezza is a vital component of Sapporo Holdings’ business infrastructure today. In the future, Netezza will support greater business efficiency throughout the company, help improve product quality and further enhance customer services. 



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About Netezza

Netezza (NYSE: NZ) is the global leader in data warehouse and analytic appliances that dramatically simplify high-performance analytics across an extended enterprise. Netezza's technology enables organizations to process enormous amounts of captured data at exceptional speed, providing a significant competitive and operational advantage in today's data-intensive industries including digital media, energy, financial services, government, health and life sciences, retail and telecommunications. Netezza is headquartered in Marlborough, Massachusetts and has offices in Northern Virginia, Canada, the United Kingdom, Germany, France, Japan, Korea, Australia and Singapore.

For more information about Netezza, please visit www.netezza.com.