SIEMENS

Riello

Riello sales heat up with Rulestream Engineer-to-Order

Product
PLM Components

Business challenges
Increase the efficiency of the presales department

Implement a flexible tool for step-by-step generation of quotations

Provide better service to a large sales network working in territories

Keys to success
Rulestream as engine for the codification of rules, technical regulations and business processes

Results
Reduction of cycle time from offer to delivery

Information once "owned" by a few is now available to approximately 1,600 users

Rationalization of skills and competence

Standardization of business processes and know-how

An innovative, web-based configurator generates detailed quotations with annexed specification sheets and energy reports

Accurate, detailed quotations on demand

With Rulestream, Riello Group (Riello) has provided its vast network of sales and engineering agencies with a product configuration tool that fully automates the generation of a price quotation and supporting technical documentation.

In the Italian market, the Riello brand has consistently been a synonym for environmental comfort, and Riello is recognized as a leading supplier of heating and cooling systems for residential and industrial buildings, using traditional fuels as well as renewable energy. Based in Legnago, near Verona, the company has achieved and consolidated its leadership in a complex scenario.

"The HVAC (heating, ventilation and air conditioning) business is tough because a group like Riello, offering a complete portfolio, must face the competition of hundreds of vendors, each focused on a specific market niche, therefore very strong and qualified in each," says Stefano Gandolfi, Trade Marketing manager. "None of these specialists, however, have the assets to build the type of successful foundation that Riello has. Our sales organization consists of more than three thousand qualified and skilled professionals who serve our customers every day all over Italy. Riello made a clear choice to cover the entire territory with 270 direct agencies and 660 authorized service centers. Our competitors have much smaller networks."

For Riello's strategy, the continuous improvement and extension of this network is essential to ensure effective service for critical systems such as HVAC, which support a customer's comfort and well-being. Such systems require fast

action and solutions, delivered by competent staff. Built on the experience and expertise of a group that is celebrating its 90th anniversary, Riello also provides exemplary presales service. This service plays a key role in staying agile in a highly regulated business containing thousands of energy efficiency and safety regulations and standards, which are dictated by European Union commissions and then implemented by states, regions, provinces and municipalities, often with different interpretations.

In addition to standards, the market is quite dynamic and, over the years, has frequently switched from one best practice to another. "For example, the heating sector had been static for decades," says Elisabetta Mazzi, manager of Presales and Training. "This led to promoting the installation of independent heating systems in rooms or zones in each and every house, even in multi-family buildings. Now that approach has changed, and we are moving back to central heating, which offers a number of environmental, safety and efficiency benefits."

Handling 7,000 requests each year
An extensive network of resellers and HVAC engineers continually refers to Riello for consulting and technological support during the design and quotation of systems. To provide accurate, reliable and quick answers, Riello created a dedicated department to gather the vast know-how accumulated by the company over ninety years and to make it available to all resellers and installers. With 5,000 product items, 3,000 finished articles, ever-changing regulations and a portfolio that covers all types of HVAC systems and energy sources, including renewable energy, Mazzi's presales team has grown from two to twelve people who together handle approximately 7,000 requests per year.

"Not all of our HVAC engineers have internal resources, so they turn to us," Mazzi says. "Following the widespread adoption

of renewable energy sources, business is shifting from products to systems. With installations that require the integration of different plants and products, this has increased the consulting requirements of our network. Customers no longer ask for the price of a boiler, but instead request accurate information on heating and energy efficiency, environmental benefits, ROI (return on investment), compliance and much more."

For example, in 2008, with the introduction of fiscal incentives for energy efficient building renovation, Riello's customers began asking for more technical details in their price quotations, in order to submit the required documentation for tax purposes.

To improve response time and reduce the workload of the presales department, Riello decided to provide the sales network with a tool for HVAC system calculation and configuration and for the automatic generation of price quotations, including detailed technical specifications. This allows technicians and HVAC engineers to focus on complex design issues while the software handles standard and repetitive operations.

Need for an open and flexible configurator

"We began looking for a configurator that was open and flexible to meet our demands; one that could be managed internally, with the ability to support future changes as well as research and development," says Marco Colombo, who manages product lifecycle management (PLM) at Riello. Colombo, who also oversees the development of information technology (IT) tools supporting all product development activities, explains, "After a few meetings, we narrowed down our search to two solutions, and we selected Rulestream as the solution that best matched our needs and promised future independence in the management and further development of the configurator."

With Rulestream™ software for Engineer-to-Order, users can streamline the preparation of detailed and complete offers. The software allows its users to develop applications (typically configurators) that span sales, engineering and production, leveraging your company's knowledge, data and procedures to automate complex operating processes.

Typically, among the first benefits realized by companies such as Riello is the shortening of cycle time from order to delivery, which also results in a significant reduction in internal operating costs. Such was the case at Riello. Rulestream can be tightly integrated with PLM, computer-aided design (CAD) and enterprise resource planning (ERP) systems, contributing to faster, more accurate and efficient order execution. "At Riello, we use Rulestream to retrieve costs and accounting information from SAP, while technical data are taken directly from our PLM software," says Colombo.

Turning individual expertise into a corporate asset

Riello mapped all construction rules and regulations for energy efficiency calculation into the Rulestream engine. "The hardest job was the formalization and codification of all our rules," notes Mazzi. "Fortunately, our presales team had outstanding support from Siemens PLM Software partner, Configuratori.it. Moreover, the formalization of all procedures and knowledge has a value in itself, because it forced us to define a set of rules that, in the past, were 'owned' by individual employees. Now this information is all shared and easily accessible. The organization becomes the real owner of know-how. Using Rulestream enables us to turn individual expertise into a corporate asset that can be used by all employees via a structured approach."

With the previous software used by Riello, rules and tool were strictly related, making the configurator hard to maintain and update. Rulestream, by contrast, is a repository for all rules, offering great benefits in the backend of the application. "With an engine like Rulestream, development is continuous, progressive and interactive; this software helps us work in a series of steps," says Mazzi. The configurator project, created using Rulestream, started in the residential department. In operation since September of 2010, the development of configuration rules involved two people in the presales and training department,

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Presales and Training Manager
Riello SpA

Solutions/Services

Rulestream
siemens.com/plmcomponents

Customer's primary business

Riello Group offers HVAC systems and technology for all environments. Its mission is to optimize the comfort in all places where people live and work.
www.riellogroup.com

Customer location

Legnago, Verona
Italy

Partner

Configuratori.it
www.configuratori.it

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Presales and Training Manager
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and then two more in research and development. The system was implemented with the support of Configuratori.it, which specializes in the configuration and fine-tuning of these kinds of applications, mainly for companies that use an engineer-to-order approach.

Benefits proven in the field

Besides knowledge rationalization and process standardization, the solution opened up new opportunities to the Riello technical department. The effectiveness of the configurator created with Rulestream is demonstrated by performance statistics. "When our HVAC engineers start to use the configurator, they use it extensively," Mazzi says, "Which means that the solution is valid."

Currently, the configurator is accessible via the web through two dedicated sites, an Intranet-based site for agencies and a internet-based version for HVAC engineers, with approximately 1,600 users. The system handles a set of information including geographic location, building type, power rating of the boiler, system type (e.g., traditional or solar), heating type (e.g., floor, radiators) and other parameters. Based on average temperature in the area, solar radiation and other values, Riello uses the configurator to calculate the number of solar panels required, installation accessories, glycol quantity, and then to generate a bill of materials (BOM) listing all necessary components and their prices, a report that compares the old and the new system, a return on investment (ROI) analysis and a schematic layout of the installation.
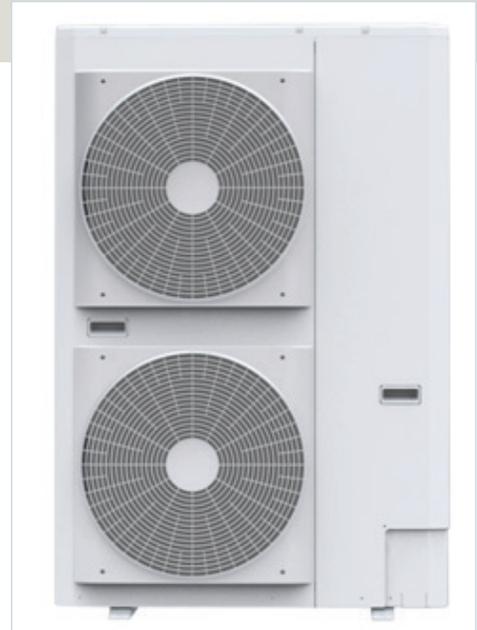
"So, the agent or HVAC engineer can submit a very detailed and accurate technical report to the customer," notes Mazzi. "We are getting very positive feedback. The report is highly appreciated by customers, because it proves the efficiency of the solution and the value of changing or updating their HVAC system."

To promote the use of the configurator, Riello managers organized a training day for their agents. In the future, besides extending the solution to industrial plants, another configurator will be implemented for photovoltaic installations. It will be used to generate an economic-financial report for each project, mainly for large industrial plants.

"We will also extend the solution to multi-family buildings and to community projects like swimming pools and hotels," says Mazzi. "And we are considering extending Rulestream to other applications, such as burners."