PROOF POINT_by Liz Tanner

Revving Up the Business

O'Reilly Automotive

To modernize its infrastructure, O'Reilly Automotive implemented SUSE Linux Enterprise Server in its data center and across more than 1,800 stores. With a Linux platform, the company established a flexible architecture to support its double-digit annual growth.

> Overview

O'Reilly Automotive, Inc. (NASDAQ: ORLY) is one of the largest specialty retailers of automotive aftermarket parts, tools, supplies, equipment and accessories in the U.S., serving both professional installers and do-it-yourself customers. Founded in 1957 by the O'Reilly family, the company operates 1,867 stores in 26 states and has more than 24,000 team members.

> Challenge

As a specialty retailer, O'Reilly Automotive relies on store team members to provide helpful and efficient customer service. The 19,000 team members who work behind the counters in each store had been using a legacy point-of-sale (POS) application that lacked a graphical user interface and required a significant amount of training. The company wanted to modernize its POS system and replace its "green-screen" terminals.

Retailers are also receiving increasing pressure to comply with Payment Card Industry (PCI) requirements. O'Reilly Automotive wanted to implement a solution in all of its stores that would ensure compliance and safeguard customer data.

> Solution

O'Reilly Automotive evaluated several Linux distributions, including Red Hat, before selecting SUSE Linux Enterprise Server.

"Novell's partnership with IBM was a key factor in our selection of SUSE Linux Enterprise Server," said Duane Keys, application development manager in Information Systems at O'Reilly Auto Parts. "We wanted a solid foundation and knew we'd get great support from both companies. We were also impressed with the enterprise licensing options."

O'Reilly Automotive runs SUSE Linux Enterprise Server in its data center to manage a variety of applications including its intranet, public Web site, Lotus Domino servers, MySQL databases and its Infinity customized parts application. Using built-in Xen virtualization, the IT staff has consolidated many of its servers, freeing up physical space and simplifying administration.

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Application Development Manager, Information Systems

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"We are using SUSE Linux Enterprise Server as the base server platform for most all of our Web-based applications," said Rob Bodenhamer, director of Technology Development at O'Reilly Auto Parts. "The Xen virtualization software included with SUSE Linux Enterprise Server also allows us to spin up virtual servers to satisfy specific needs without adding more hardware and increasing licensing costs."

The company deployed SUSE Linux Enterprise Server on new IBM System x servers in more than 1,800 stores. A centralized IT staff created detailed instructions for each store, allowing field team members the ability to hook up the network server and insert a CD to upgrade the new systems. The company's updated POS system, based on Linux Terminal Server Project (LTSP), runs on the company's existing Neoware thin client terminals and gives team members a graphical user interface, improving their ability to provide effective customer service.

"We were able to modernize our POS system running on SUSE Linux Enterprise Server without having to make a huge investment in hardware," said Keys. "Our team members can now provide much better customer service with the ability to swivel a monitor and show customers color photos of auto parts. We have also reduced the application training time for new team members from a week, to a day."

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The company receives regular patches and updates for SUSE Linux Enterprise Server which improves its ability to maintain PCI compliance. "Maintaining PCI compliance is huge for us," said Keys. "Because Novell sends us regular updates and patches, we can ensure the security of our systems and protect confidential customer data."

Having an open environment with SUSE Linux Enterprise Server allows O'Reilly Automotive to take advantage of open source applications to reduce software costs.

"We have all kinds of ideas about what we can do with open source solutions," said Keys. "We like the fact that Novell is so involved with the open source community. It's also much easier for us to hire new IT professionals as most of them have experience with Linux."

SUSE Linux Enterprise Server provides a flexible architecture that supports the company's double-digit annual growth. The IT staff can quickly set up a new office or store, and because SUSE Linux Enterprise Server runs on most hardware platforms, the company can typically reuse the hardware of acquired companies.

> Results

With SUSE Linux Enterprise Server, O'Reilly Automotive modernized its data center and more than 1,800 stores without requiring a major hardware investment. The IT staff implemented an updated POS system with a graphical user interface, improving customer service and reducing application training time by 80 percent.

Using SUSE Linux Enterprise Server with built-in Xen virtualization to consolidate servers has reduced hardware costs, and the IT staff is using open source solutions to dramatically reduce software costs. Regular system updates from Novell ensure that O'Reilly maintains PCI compliance.

"We simply had to upgrade our infrastructure to remain competitive," said Keys. "With SUSE Linux Enterprise Server, we didn't have to break the bank to get a standardized, high-performance solution for all our locations."

Challenge:

- Replace legacy POS application and "green-screen" terminals
- Simplify application training for 19,000 employees
- Modernize infrastructure, without a huge increase in hardware costs

Solution:

SUSE Linux Enterprise Server with built-in Xen virtualization

Results:

- Modernized POS system across more than 1,800 stores
- Reduced application training time by 80 percent
- Created flexible architecture to support double-digit annual growth