

ENDESA Benefits from Technology Innovation

"In a challenging environment, the Cisco Internet Business Solutions Group (IBSG) is playing a continuous and important role in advising ENDESA on the business benefits brought by advanced technologies."

In Brief

Present in nine countries, with 25 million customers and 24,500 employees, ENDESA is the leading utility in the Spanish electricity system, the number one private-sector multinational electricity utility in Latin America, and the seventh-largest utility in the world. Cisco is a strategic supplier to ENDESA, with a long history of sharing best practices.

Following a visit to Cisco headquarters in March 2005, ENDESA executives learned more about how Cisco and its top customers use technology for business impact. A series of best-practice-sharing meetings followed. In June 2006, ENDESA Corporate Director of Services and Technology, and member of the Executive Management Committee, Antonio Pareja Molina, signed a memorandum of understanding (MOU) with IBSG for cooperation in developing a trusted adviser relationship. Executive workshops unfolded in the months that followed. IBSG supplied input on IP communications, unified rich-media communications, data center strategy, IT globalization and organization, connected real estate and sustainability, customer relationship management (CRM), electronic invoicing, telework, telecontrol, telemanagement, electricity networks of the future, IT Strategic Vision 2015, and more. Cisco also participated in the IE Business School "In Company" Program for ENDESA executives, sharing its vision on HR management.

IBSG involvement with the ENDESA Technology Innovation Group started in October 2006, with the initial collaboration addressing the benefits of adopting radio frequency identification (RFID) technology for asset tracking and management. With the involvement of Cisco's experts, as well as AeroScout, a Cisco partner and leader in the field of RFID, key trends and best practices from Cisco's manufacturing customer supply chains were shared, and the need to increase operational and cost efficiency was recognized. The project was launched in October 2007 for ENDESA Distribution High Voltage, which owns 10 high-voltage equipment warehouses throughout Spain. A pilot program then was initiated.

Customer

Industry

ENDESA, Madrid, Spain

Utilities: Electricity

Challenges

- · Increase reach and impact of IT
- Globalize IT, capturing the advantages of industrialization, decentralization, and scale
- Upgrade technology innovation in IT and telecommunications in accordance with challenges
- · Boost the transformation and expansion of the business
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Cisco Internet Business Solutions Group (IBSG)

- · Promote business intelligence
- · Increase efficiency of operational processes

Solutions

RFID technology will allow ENDESA to:

- · Be more efficient in its supply chain
- · Provide asset tracking and management
- · Identify exactly where high-value assets are located
- · Deliver real-time visibility into inventory

Next Steps

- · High-level definition of multiservice IP network
- · Development of an IP-based solution for low-end telecontrol
- · Video surveillance
- Cisco TelePresence

Projected Results / Benefits

- · Process optimization; increased efficiency throughout value chain
- Visibility and control of assets and processes
- · Increased security of assets; decreased direct costs associated with unmanned warehouse
- Business intelligence
- Estimated total benefits of €1.6 million per year

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