

SAP Customer Success Story Wholesale Distribution



“One accountant is processing more than 1,000 invoices a month, plus doing all our purchasing. Without SAP Business One that just would not have been possible.”

Philip Delaney, Managing Director, Dairyglen

AT A GLANCE

Company

- Name: Dairyglen
- Location: Dublin, Ireland
- Industry: Wholesale distribution
- Products/services: One-stop shop for vendors selling whipped ice cream and milk shake products
- Revenue: €2.5 million
- Employees: 13
- Web site: www.dairyglen.ie
- Implementation partner: Irish International Sales

Challenges and Opportunities

- Enable better visibility of company-wide business information and operations
- Streamline administrative processes
- Improve access to information to ensure effective decision making
- Support future growth

Objectives

- Provide a single point of access for information
- Integrate sales, support, and other customer-facing processes with all functions across the organization
- Integrate SAP® and non-SAP software
- Integrate software with Microsoft Word and Excel

SAP Solution and Services

SAP Business One application

Implementation Highlights

- Integration with handheld devices for inventory control
- On-time, on-schedule go-live
- Fast user adoption

Why SAP

- Affordable, integrated software that covers all business needs in a single application
- Flexible, scalable technology and an intuitive user interface
- SAP's reputation as world's leading provider of business software solutions with more than 30 years of experience and 12 million users worldwide

Benefits

- Better control of business operations
- More effective use of resources
- Improved invoicing capabilities, resulting in initial savings of €5,000 a year in postage
- Enhanced customer relationships via better insight into customer behavior
- Ability to easily introduce new products and meet the future with confidence

Existing Environment

Non-SAP software

Third Party Integration

- Database: Microsoft SQL Server
- Hardware: HP; IBM
- Operating system: Microsoft Windows

DAIRYGLEN

SAP® Business One Supports Expansion and Growth

Exponential growth for a small business is a good thing. Business management software that is not scalable – not so good. This was the predicament of Dublin, Ireland–based Dairyglen. The company was launched as a home-based business providing a total managed service – or one-stop shop – for vendors in the whipped ice cream and milk shake market. In time, the company added staff, and sales grew. Management realized it needed a software system that could handle and support the company's growth. Dairyglen found exactly what it was looking for in the SAP® Business One application.

Strengthening Customer Relationships

As Philip Delaney, Dairyglen's managing director, explains, “When the company was small, we were able to maintain control because family members were actively involved in running every aspect of the business. However, as we grew, we started to adopt more of a management role; we realized we could no longer run the company on instinct. That was the catalyst for implementing a new software system.”

To help determine the most appropriate solution for its needs, Dairyglen solicited the advice of an external consultant. Dairyglen also approached the company that was supporting its existing accounting package. Although that company was not a reseller for SAP Business One, it knew about the software and suggested the application to Dairyglen. Delaney then asked Dairyglen's accountants for their opinion. The response: “You can't go wrong with SAP.”

Dairyglen contacted SAP channel partner Irish International Sales (IIS), the local reseller for SAP Business One. IIS demonstrated the system and Dairyglen quickly saw its potential. According to Delaney, the ability to continually drill down to find information and the integration with Microsoft Word and Excel were particularly impressive, so Dairyglen decided to purchase the system.

A Successful Implementation

A first step for Dairyglen was to clean up its database. Because the company lacked confidence in the previous accounting system, it had not managed the database as carefully as it might have. A new accountant who was experienced at system imple-

“I would recommend SAP Business One to any business of our size. People might shy away from it, thinking it's for bigger companies. But it's not expensive, and it's a comprehensive business tool for any company that really wants to understand how it is operating.”

Philip Delaney, Managing Director, Dairyglen

mentation tackled the job. “It was a lot of hard work to cleanse our data,” says Delaney. “But it was absolutely critical if the implementation was to be successful.”

IIS played a significant role in configuring the system and training end users. The company also helped set up mobile inventory management capabilities. Each of Dairyglen's delivery vans is now effectively a miniwarehouse. As stock is sold, it is recorded in SAP Business One via handheld devices. When the van returns at the end of the day, the information is transferred to the system. As a result, Dairyglen has a highly effective method for tracking and analyzing its stock.

When Dairyglen initially tried to link the handhelds to SAP Business One, it ran into some problems with the devices. “Using handhelds to track and analyze the stock is essential for us,” explains Delaney, “so when we realized there were issues with our old vendor's product, we had to make a switch. IIS worked very closely with the new company to program the linkage between the two systems. It delayed our implementation a bit, but in the end it was worth it, because now the information from the handheld devices flows directly into SAP Business One.”

Major Benefits

Dairyglen clearly made the right decision when it opted for SAP Business One. “We tried to set up the vans as warehouses using our previous software system, but we just couldn't do it,” says Delaney. “Now, however, we can not only track inventory by van, but we also have complete confidence that the data is correct.”

Two other areas where efficiency gains have been made are sales and purchasing. “One accountant is processing more than 1,000 invoices a month, plus doing all our purchasing,” comments Delaney. “Without SAP Business One that just wouldn't have been possible.”

Improved business processes have also enabled Dairyglen to save €5,000 a year on postage, which may seem surprising. Delaney explains, “Previously, we would send invoices to our customers as sales were made. Invariably, though, they paid based on our statements. SAP Business One enables us to print batches of invoices, grouped by customer. Today we send the invoices for a whole month to customers at one time. As a result, we are saving on postage without impacting our cash flow.”

Reporting has also improved. Delaney particularly likes the standard variance analyses he can do for products and customers. In addition, year-on-year comparison reports of customers' purchases give him a real insight into purchasing behavior.

“I would recommend SAP Business One to any business our size,” says Delaney. “People might shy away from it, thinking it’s for bigger companies. But it’s not expensive, and it’s a comprehensive business tool for any company that really wants to understand how it is operating. The only caveat is that, to get the maximum value from it, you have to think carefully about how you want to run your business at the set-up stage.”

Future Plans

Dairyglen is expanding its business into slush ice machines, which are supplied free on loan, and Delaney is thankful for the asset management functionalities in SAP Business One. Using the SAP software, Dairyglen will be able to effectively track its assets and, as a result, retain greater control.

The company has also increased its portfolio of products and is now marketing fresh ground coffee to existing customers.

“SAP Business One gives us a solid platform on which to grow the company,” comments Delaney. “We are confident that we can double or triple our business with the same administrative overhead.”

www.sap.com/contactsap

THE BEST-RUN BUSINESSES RUN SAP™



50 082 589 (06/12)

© 2006 by SAP AG. All rights reserved. SAP, R/3, mySAP, mySAP.com, xApps, xApp, SAP NetWeaver, and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and in several other countries all over the world. All other product and service names mentioned are the trademarks of their respective companies. Data contained in this document serves informational purposes only. National product specifications may vary. Printed on environmentally friendly paper.

These materials are subject to change without notice. These materials are provided by SAP AG and its affiliated companies ("SAP Group") for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.