



Microsoft Dynamics Customer Solution Case Study



Overview

Country or Region: United States
Industry: Consumer Beverage Industry

Customer Profile

Sunny Delight Beverage Company (SDBC) is a newly formed independent company that supplies juice beverages to retailers throughout North America and Europe. The company has 600 employees.

Business Situation

After separating from its parent company, SDBC's challenge was to implement, in 12 short months, a completely new IT infrastructure that would support its global business today and in the future.

Solution

SDBC implemented a hosted solution using Microsoft Dynamics™ AX, both for financial needs and as the central hub through which all other business processes flow.

Benefits

- Fast deployment with no business interruption
- Quick adoption with familiar interface
- Global business support—with ease

Juice Maker Gains Independence, Supports Global Business with Microsoft Software

“The ability to implement Microsoft Dynamics AX in functional stages made it a cost-effective solution. It also is a flexible tool, has a familiar interface, and integrates with third-party systems.”

Michael Kennedy, Director of Global IT Services, Sunny Delight Beverage Company

After being sold from Procter & Gamble, Sunny Delight Beverage Company (SDBC) faced the challenges of transitioning to an independent operation. Most significant was the need to create in just 12 months, from scratch, a complete business infrastructure. Given the tight time constraints, SDBC teamed with OneNeck IT Services Corporation, a Microsoft® Gold Certified Partner, to implement a hosted solution that places Microsoft Dynamics™ AX, formerly known as Microsoft Business Solutions–Axapta® software, at the center of an array of business systems. Today, SDBC operates as its own corporation, largely because Microsoft Dynamics AX supported a fast deployment and was adopted quickly by 150 SDBC employees in North America and Europe. Microsoft Dynamics AX provides a single, flexible solution that accommodates all of the operational variances that exist among plants on two continents.



“Microsoft Dynamics AX looks like the Microsoft Office applications that our employees use on a day-to-day basis. This similarity made it easy to get employee ‘buy-in’ and to get them trained.”

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Situation

Sunny Delight Beverage Company (SDBC) is a well-known producer of juice-based drinks that carry wide appeal to families with children in North America and Western Europe. The company’s popular brands include SunnyD Original, SunnyD Intense Sport, and SunnyD Baja. This international company generates U.S.\$600 million in annual revenue and has production plants in the United States, Germany, and Spain.

In May 2004, Procter & Gamble initiated the sale of SDBC to J.W. Childs Associates (a Boston-based, private equity firm). In doing so, SDBC would become a freestanding corporate entity. Part of the deal included an agreement that gave SDBC a mere 12 months to break away from Procter & Gamble’s heavily customized business systems and, consequently, to establish SDBC’s own infrastructure. The new, independent IT infrastructure would have to support all of SDBC’s global business operations—including four plants in North America, plants in Germany and Spain, and sales offices in Portugal and France. SDBC required support for key business processes, such as financial management, ordering, shipping, billing, and the product supply chain. SDBC also had a limited number of IT personnel available to aid with the transition.

James Dahmus, Senior Vice President and Chief Financial Officer for SDBC explains, “We needed to implement a business management system that would support all of our global business operations and could accommodate the rapid growth of our now-independent business. But most importantly, we needed a system that could be up and running in 12 months.”

Solution

To alleviate the pressure of quickly building a new IT infrastructure, SDBC determined that outsourcing would be the best alternative. At

the outset of the acquisition, J.W. Childs Associates used OneNeck IT Services Corporation to complete an information technology due diligence and strategy assessment of SDBC. Based in Arizona, OneNeck is an IT outsourcing company that provides comprehensive, business management-hosting solutions to midsize-companies. Given OneNeck’s subsequent, in-depth knowledge of SDBC’s business and IT needs, OneNeck was the obvious choice to host SDBC’s IT operations.

The next step was to select a business management system that could support SDBC’s core financial operations. SDBC wanted a solution that could be implemented quickly and cost-effectively and could be customized to support its global operations. In addition, because the company would be implementing multiple, third-party solutions to support other operational needs, seamless integration was a must. While SDBC briefly considered SAP, the high-cost and extensive customization work that would have been necessary made this option less than feasible—especially when considering the tight time frame. In the end, the company decided to implement Microsoft Dynamics™ AX, formerly known as Microsoft® Business Solutions–Axapta®.

Michael Kennedy, Director of Global IT Services for SDBC, explains, “The ability to implement Microsoft Dynamics AX in functional stages made it a cost-effective solution. It also is a flexible tool, has a familiar interface, and integrates with third-party systems.”

To start, SDBC and OneNeck globally deployed the most-urgently needed capabilities including general ledger, bank management, accounts payable, and accounts receivable from the financial management tools of Microsoft Dynamics AX. After the success of its initial implementation,

“The Microsoft open architecture allowed us quickly and efficiently to integrate third-party business systems that met SDBC’s exact needs.”

De Wet Du Plooy, Vice President, OneNeck IT Services Corporation

SDBC established Microsoft Dynamics AX as its core business management system. First, the company implemented the more complex financial functionality available in Microsoft Dynamics AX. Then, SDBC used Microsoft Dynamics AX as the foundation to integrate additional third-party systems that support all of its operations. These systems include customer order processing and billing from Triplefin; production planning and forecasting from Prescient; inventory management from RedPrairie; shipping order management from Transplace; and promotion management from VeriSync Trade Solutions.

“The Microsoft open architecture allowed us quickly and efficiently to integrate third-party business systems that met SDBC’s exact needs,” says De Wet Du Plooy, Vice President for OneNeck. “Forecasting, business intelligence applications, and more were all integrated with Microsoft Dynamics AX.”

In addition to Microsoft Dynamics AX, SDBC built its IT infrastructure by using Microsoft Windows Server™ 2003 operating system, Microsoft SQL Server™ 2000 database server, and Active Directory® directory service—all of which are being hosted, supported, and managed by OneNeck.

Benefits

SDBC was under extreme pressure to achieve operational and business system independence in just 12 months. The company succeeded largely because of its choice to use Microsoft Dynamics AX as the hub of its business infrastructure.

Fast Deployment with No Business Interruption

After its sale from Procter & Gamble, SDBC wanted to operate as an independent business as quickly as possible. Microsoft Dynamics AX helped to make this separation possible in just eight weeks—the time it took SDBC and OneNeck to deploy basic accounting functionality to 150 employees in

North America and Europe. Microsoft Dynamics AX also helped SDBC break its remaining ties to the Procter & Gamble business infrastructure by supporting seamless integration with third-party systems. As a result, SDBC had a complete, global business infrastructure in place before the 12-month cutover date. What’s more, this transition was made without any interruption in day-to-day business operations.

“With Microsoft Dynamics AX, we’ve been able to implement, quickly, a completely new system with no interruption to daily business and to match the same operational speed as our old SAP-based system. This is just one way to measure the success of this project,” says Kennedy.

Quick Adoption with Familiar Interface

Another measure of success was the quick adoption of Microsoft Dynamics AX by employees. Not only was the company under a tight deadline, but SDBC also was moving from the SAP environment used at Procter & Gamble to a completely new business management system. Any concerns about getting employees up and running on this new system were quickly alleviated.

Microsoft Dynamics AX is a Windows®-based application; thus, it was quick and easy to train employees on the new system.

“Microsoft Dynamics AX looks like the Microsoft Office applications our employees use on a day-to-day basis,” says Kennedy. “This similarity made it easy to get employee ‘buy-in’ and to get them trained.”

Global Business Support—with Ease

As an international company, SDBC needed a solution that could accommodate the different operational and financial requirements that exist among facilities in North America and Europe. Internationally dispersed plants must comply with different regulations, accommodate different

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currencies and tax codes, and have different financial reporting requirements and business models. Because Microsoft Dynamics AX is a highly flexible, customizable tool, SDBC was able to customize Microsoft Dynamics AX to accommodate each of its facilities' operating models and still provide a single implementation of the solution through a common hosted environment.

Kennedy explains, "Because Microsoft Dynamics AX supports the unique business models that exist among our locations in North America and Europe, SDBC was able to implement one solution to our globally diverse business."

Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to: www.microsoft.com/dynamics

Software and Services

- Microsoft Dynamics AX
- Microsoft Servers
 - Microsoft Windows Server 2003
 - Microsoft SQL Server 2000

- Technologies
 - Active Directory

Partners

- OneNeck IT Services Corporation

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