



Microsoft Dynamics Customer Solution Case Study



Consumer Goods Manufacturer Improves Productivity with ERP Upgrade

Overview

Country or Region: United States

Industry: Manufacturing—Consumer goods

Customer Profile

Based in Bowling Green, Ohio, CMC Group manufactures and distributes labels and specialized packaging products for customers in a range of industries.

Business Situation

A long-time Microsoft Dynamics® AX user and active member of the Microsoft Dynamics AX User Group (AXUG), CMC Group wanted to capitalize on several feature enhancements in Microsoft Dynamics AX 2009.

Solution

The company worked with Microsoft® Gold Certified Partner Greenlight BTS to upgrade to Microsoft Dynamics AX 2009 and deploy Create!form from Bottomline Technologies for document process automation.

Benefits

- Increased efficiency
- Improved productivity
- Enhanced capacity for future growth

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Allan Stiles, Director of Application Development, CMC Group

Headquartered in Bowling Green, Ohio, the CMC Group consists of four subsidiaries that provide specialized printing and packaging solutions for a range of industries. CMC Group oversees management of these interrelated companies, delivering shared IT and financial services. In 2001, CMC Group implemented Microsoft Dynamics® AX for comprehensive business management functionality and powerful manufacturing capabilities. Looking to capitalize on enhancements in the latest version of the software, the company worked with Microsoft® Gold Certified Partner Greenlight BTS to deploy Microsoft Dynamics AX 2009 and Create!form from Bottomline Technologies for document process automation to 85 people across its four subsidiaries. With Microsoft Dynamics AX 2009, CMC Group benefits from improved productivity, increased efficiency, and a solution that supports continued growth and innovation.



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Allan Stiles, Director of Application Development, CMC Group

Situation

From its inception in 1980, CMC Group has experienced significant growth through organic expansion and several acquisitions. The company’s manufacturing and distribution operations and the majority of its 250 employees are located in Bowling Green, Ohio. CMC Group also plans to open a distribution facility in the United Kingdom as part of its ongoing initiative to accelerate delivery of its products to customers worldwide.

Through its four subsidiaries—Century Marketing, DayMark Safety Systems, Century Marketing Wholesale Division, and NovaVision—the company provides an extensive array of printing and packaging solutions. For example, Century Marketing offers custom printing of consumer product labels, apparel tags, and a range of related packaging products and services through its e-commerce sites printmything.com and centurylabel.com. And, DayMark Safety Systems provides food safety rotation labeling systems and Occupational and Safety Health Administration (OSHA) compliant first-aid kits with a cost-savings refill program designed to meet the unique regulatory compliance and workforce safety requirements of food service environments.

To accommodate continued expansion, executives from CMC Group opted to migrate from the company’s aging Data General system to a comprehensive enterprise resource planning system. In 2001, the company implemented Microsoft® Business Solutions–Axapta®, now Microsoft Dynamics® AX. “We chose Microsoft Dynamics AX because it combined end-to-end business management functionality with the best subset of manufacturing capabilities of any system we looked at,” says Allan Stiles, Director of Application Development at CMC Group. “And from a programming standpoint, the flexibility of the system, which made it

easy to customize forms and screens in the various modules, was also a major plus.”

As CMC Group continued to grow over the next four years, Stiles led a number of IT initiatives designed to help the company take full advantage of the extensibility of Microsoft Dynamics AX. To accelerate order processing, the CMC Group IT team used Microsoft BizTalk® Server 2000 to create customer records and create sales orders from the company’s legacy customer relationship management (CRM) system that included order information from Microsoft Dynamics AX. Integration of these systems helped the company initially reduce its order-processing cycle time from three days to 24 hours and over time have reduced this process down to under 1 hour. To fully automate the company’s shipping process, Stiles’s team linked Microsoft Dynamics AX with Clippership, a Windows®-based multicarrier shipping solution from Kewill. In addition, the team tailored the intercompany document-handling functionality in Microsoft Dynamics AX to meet rapidly changing business needs.

“Because it’s so flexible, Microsoft Dynamics AX has made it easier for us to automate and streamline our core business,” says Stiles. Success in boosting operational efficiency by using Microsoft Dynamics AX led Stiles to evaluate upgrading to the latest version of the software. Together with a team of executives from CMC Group, Stiles weighed the value of new features against the potential risks associated with any new IT investment. “Once we looked more closely at the new capabilities in the latest version of Microsoft Dynamics AX and considered what they could mean for our company’s growth, we knew it was the right opportunity,” he says.

Solution

With help from Microsoft Gold Certified Partner Greenlight BTS, CMC Group

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implemented Microsoft Dynamics AX 2009 and Create!form from Bottomline Technologies for document output management. Greenlight BTS completed the implementation in five months, providing Microsoft Dynamics AX 2009 to 85 people across the four subsidiaries of CMC Group.

Simple Upgrade Process

CMC Group was able to replace the majority of its custom applications, representing more than 200 hours of coding work, with standard functionality in Microsoft Dynamics AX 2009. This includes nearly all of the modifications that Stiles and his team made to tailor intercompany document handling in Microsoft Dynamics AX 3.0, the version the company used before completing the upgrade. “The built-in processes for handling intercompany transactions in Microsoft Dynamics AX 2009 more closely mirrored what we’d attempted to do previously, so we just got rid of our unnecessary code,” says Stiles.

Taking advantage of the power and flexibility of the Application Integration Framework within Microsoft Dynamics AX 2009, CMC Group implemented Create!form from Bottomline Technologies for all its document output. By leveraging Create!form’s flexibility and ease of integration, CMC Group was able to eliminate 300 hours worth of custom code. This allowed CMC Group to maintain the custom document needs for each of its subsidiaries and still take advantage of the power of standard functionality in Microsoft Dynamics AX 2009 for processing.

CMC Group also used the standard shipping tables and the enhanced shipping-carrier interface in Microsoft Dynamics AX 2009 to simplify integration to Clippership. CMC Group took advantage of the Application Integration Framework to quickly link its legacy CRM system with Microsoft Dynamics

AX 2009 while improving the connectivity between these two systems.

In total, CMC Group reduced customizations by 80 percent in moving from Microsoft Dynamics AX 3.0 to Microsoft Dynamics AX 2009. “We took full advantage of the upgrade tools, including the Compare Tool, to check our custom code against standard functionality in Microsoft Dynamics AX 2009,” says Stiles. “This enabled us to eliminate about 500 hours of code.”

By significantly reducing customizations, CMC Group experienced a dramatically simplified upgrade and deployment process. “We completed the upgrade to Microsoft Dynamics AX 2009 over a weekend and were up and running on Monday morning with absolutely no problems,” Stiles says. In fact, on the first day of using Microsoft Dynamics AX 2009 in production, the company’s DayMark division handled 750 orders, a 40 percent increase over the company’s typical daily order volume. “To me, the fact that we were able to go live with the new system and process more orders on the first day with no difficulties whatsoever speaks volumes about how easy it is to upgrade from Microsoft Dynamics AX 3.0 to Microsoft Dynamics AX 2009,” Stiles says.

Powerful New Capabilities

Through its participation in the Microsoft Technology Adoption Program, CMC Group took advantage of prerelease access to Microsoft Dynamics AX 2009 to explore new system features and capabilities. For Stiles and his team, this experience proved valuable in gaining familiarity with the ability to easily consolidate bulk orders for shipment to multiple addresses. “The ability to set shipping location by line item in Microsoft Dynamics AX 2009 lets us group large numbers of orders in the system, which in turn speeds up order processing and improves accuracy,” says Stiles.

CMC Group also plans to take advantage of the Application Integration Framework in Microsoft Dynamics AX 2009 to accelerate the processing of Web-based orders for the products offered through its Century Marketing division. The Application Integration Framework, together with Production Order functionality in Microsoft Dynamics AX 2009, will help the company automatically generate and attach a bill of materials to each custom order and transmit that information to its production environment for fulfillment.

CMC Group also recently took advantage of the Application Integration Framework to implement AvaTax OnDemand from Avalara, enabling real-time tax processing in addition to shipping address validation. With this combined solution, CMC Group has been able to increase delivery success and reduce costs and fees.

RoleTailored User Interface

CMC plans to deploy Role Centers in Microsoft Dynamics AX 2009, which let employees create custom views to simplify access to the most relevant information based on their specific job function. "The RoleTailored user interface in Microsoft Dynamics AX 2009 was definitely an attractive feature for us," says Stiles. "We're anticipating that by making it easier for our employees to find the information that they need and prioritize their daily tasks, we'll see a big jump in productivity across the organization."

Benefits

By taking advantage of a number of new standard features and capabilities available in Microsoft Dynamics AX 2009, CMC Group expects to see dramatic improvements in operational efficiency and workforce productivity. In addition, with the upgrade to Microsoft Dynamics AX 2009, the company benefits from a fully integrated solution that

supports continued growth and innovation as the businesses needs require them. CMC Group was able to make this leap in technology and gain the benefits at a cost that was significantly lower than that of CMC's initial implementation of Microsoft Dynamics AX in 2001.

Increased Efficiency

CMC Group plans to expand its use of new features and capabilities in Microsoft Dynamics AX 2009, such as address by line item, to streamline core business functions. Recently, the company used this capability within Microsoft Dynamics AX 2009 to consolidate 750 individual orders into five orders. This substantially reduced the time it took to process and ship the orders, and limited data entry. The company expects to use this functionality to cut fulfillment times to process these large orders across its operations by 50 percent. "Given the huge efficiency gain we've achieved by using this one feature, we're excited about leveraging additional features and modules in the coming months to streamline even further," says Stiles. For example, CMC Group plans to take advantage of the Time and Expense module in Microsoft Dynamics AX 2009 to simplify its expense reporting and approval processes, and gain deeper insight into costs by activity for individual projects. The company is also looking to implement Advanced Warehouse Management Services in Microsoft Dynamics AX 2009 as part of its initiative to increase annual inventory turns by 75 percent over the next two years.

Improved Productivity

With improved system integration that enables greater process automation, CMC Group projects a significant boost in workforce productivity. Application Integration Framework in Microsoft Dynamics AX 2009, in conjunction with Microsoft BizTalk Server 2006 R2, increases connectivity between critical business systems. This means that

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the company will be able to devote fewer employees to time-intensive data-entry tasks, such as manually processing orders from the company's online store. "We expect to be able to redeploy up to two-thirds of the people we currently have dedicated to entering order information for our online store," says Stiles. In addition, the company plans to see productivity gains associated with its scheduled deployment of Role Centers in Microsoft Dynamics AX 2009.

Enhanced Capacity for Future Growth

With more than 400 new features offered in Microsoft Dynamics AX 2009 and its ease of integration with solutions from Microsoft Certified Partners, CMC Group was able to reduce customizations by 80 percent. By consolidating and standardizing business processes, and reducing the complexity of its IT infrastructure with its deployment of Microsoft Dynamics AX 2009, CMC Group will be able to roll out system modifications and enhancements in less time. In addition, with enhanced multisite and multicurrency support in the latest version of the software, the company will be able to provision new facilities faster. "When we first opted to go with Microsoft Dynamics AX, global growth initiatives weren't necessarily on our radar. Now, those kinds of opportunities are a reality for us," says Stiles. "With all of the new features combined with the continuous improvements to the flexibility of the system, Microsoft Dynamics AX 2009 gives us a big competitive edge as we move in that

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.

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Software and Services

- Microsoft Dynamics
 - Microsoft Dynamics AX 2009
- Microsoft Server Product Portfolio
 - Microsoft Biz Talk Server 2006 R2
- Bottomline Technologies Createform
- Avalara AvaTax OnDemand
- Keywill Clippership

Partners

- Greenlight BTS
- Bottomline Technologies, Inc.

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