



Agricultural Products Provider Builds Agile Business with Microsoft Dynamics AX

MALCOLM BEATON
COMMERCIAL DIRECTOR,
AB AGRI

“By using Microsoft Dynamics AX, we have real-time insight into our costs and margins, and as a consequence we achieve better results”.

CHALLENGES

- ✓ Gain greater agility in responding to rapidly changing consumer needs
- ✓ Manage global growth effectively whilst controlling costs

SOLUTION

- ✓ AB Agri deployed Microsoft Dynamics AX as its main ERP system

BENEFITS

- ✓ Efficiently support a growing, global manufacturing and distribution business
- ✓ Satisfy customer needs promptly and cost-effectively
- ✓ Generate efficiencies throughout the operation
- ✓ Realise profitable business strategy
- ✓ Reduce the cost of technology ownership

A worldwide provider of agricultural products, AB Agri runs a rapidly evolving business, with manufacturing operations in many countries, a large vendor network, and stringent requirements for manufacturing management and cost control.

The business supplies products and services to farmers, feed and food manufacturers, processors, and retailers. In looking to streamline business processes and efficiently pursue its international growth aspirations, the company implemented Microsoft Dynamics AX as its enterprise resource planning (ERP) system. In many areas of the business, the company has taken advantage of Microsoft Dynamics AX to generate cost reductions and efficiencies.

In addition, AB Agri uses the ERP to meet the needs of customers in fast-moving markets and realise its strategy in a profitable manner.

BUSINESS CHALLENGES

- **Complex Business Model and Fast Moving Markets:** AB Agri’s relatively complex structure presents a number of unique, closely interwoven challenges. In the markets where AB Agri trades, changes in costs and customer needs can manifest very quickly.

Lead times in the industry tend to be short, which means AB Agri needs to maintain a high level of flexibility and firm control of its material requirements planning and manufacturing management across all product locations. This information control is absolutely critical; particularly given the added complexity arising from AB Agri’s extensive product range and diverse customer profile.

- **Business Insight Requirements:** At AB Agri, cost control requirements extend to many different areas of the business. For example, product formulations need to incorporate the lowest-cost components available, and production planners and purchasers have to be able to track the quickly changing cost of raw materials.

At the same time, they also need to make sure manufacturing operations make timely use of components that have an expiration date and avoid having to repurchase them. Mark Deansmith

at AB Agri, explains, "We required the ability to exchange data between our ERP systems and other systems".

Because AB Agri expects continuing international growth, its ERP system needs to be able to scale globally, supporting a large variety of business operations and relationships with customers and vendors.

"With Microsoft Dynamics AX, we can support any business activity, of any complexity and in any location, in a cost-effective manner."

MARK DEANSMITH
IS DIRECTOR, AB AGRICULTURE

THE SOLUTION

After a review of leading ERP systems, AB Agri implemented Microsoft Dynamics AX for its operations in the UK. The main Microsoft partner assisting with the company's implementations of Microsoft Dynamics AX was the HSO Group. 650 AB Agri employees use the solution. By implementing Microsoft Dynamics AX AB Agri took an important step in building a unified business infrastructure that facilitates an unimpeded flow of information.

Microsoft Dynamics AX integrates with the other technologies in use at AB Agri such:

- Microsoft SQL Server and Microsoft SharePoint Server
- Multiple process control systems
- The Application Integration Framework in Microsoft Dynamics AX to connect the ERP system to other high-volume vendors, exchanging production data and other business information
- Employees making use of the bi-directional data exchange between Microsoft Word, Microsoft Excel and Microsoft Dynamics AX to perform large data entry tasks and updates
- A distribution-planning system from Paragon Software Systems
- A commodity-trading packaging from HSO Group

Currently, AB Agri is preparing a rollout for Microsoft Dynamics AX in its operations in North and South America and Southeast Asia.

Efficiently supporting a growing, global manufacturing and distribution business

With Microsoft Dynamics AX, AB Agri owns an ERP system that can scale globally to support the company's worldwide business operations and trading relationships.

Richard Cloke, Group Finance Director, says, "When we implemented Microsoft Dynamics AX, we gained a robust ERP system that had the ability to support our relatively complex manufacturing environment. We are able to extend the solution onto our global operations. The effectiveness in multiple demanding scenarios demonstrates its flexibility and scalability".

Satisfy customer needs promptly and cost-effectively

Today, AB Agri uses Microsoft Dynamics AX as an important resource in maintaining its competitive strength and agility in meeting customers' requirements.

Generate efficiencies and savings throughout the operation

By using Microsoft Dynamics AX, AB Agri generates valuable efficiencies and cost controls in many areas of the business. The integration with other Vendors' systems through the Application Integration Framework, allows AB Agri to manage streamlined vendor relationships through its use of XML-based transactions. In the IT department, standardising on Microsoft Dynamics AX and other Microsoft tools has reduced the cost and complexity of administering technology.

"We have taken advantage of Microsoft Dynamics AX to improve data visibility and process clarity."

ALEX MASIH
OPERATIONS DIRECTOR, AB AGRICULTURE

Realise profitable business strategy

From supporting efficient regulatory compliance to facilitating timely, strategic action, Microsoft Dynamics AX helps AB Agri leadership take firm control in moving the business forward.

Malcolm Beaton, Commercial Director, says "I truly appreciate the visibility and reporting flexibility that Microsoft Dynamics AX provides us. It's a huge step forward. By using Microsoft Dynamics AX we have real-time insight into our costs and margins and as a consequence achieve better results".

Reduce the cost of technology ownership

By making use of existing investments in Microsoft technology within the context of the ERP system implementation, AB Agri succeeded in reducing the total cost of technology ownership significantly. Because Microsoft products such as SharePoint, SQL Server and Microsoft Office software complement and extend the ERP system in many ways, AB Agri could draw on them instead of acquiring additional functionality.

Mark Deansmith, IS Director, notes, "Using a cautious estimate, we reduced our technology operations costs by approximately 50 percent by building on to the Microsoft infrastructure already in place"

About HSO

HSO is a leading provider of innovative enterprise business solutions that improve the results of our clients. Founded in 1989, HSO specialises in implementing, integrating, optimising and maintaining enterprise solutions based on Microsoft Dynamics AX, CRM and Office365.

HSO works with multinational enterprises in industries such as Distribution, Retail, Manufacturing and Services.

Learn more at www.hso.com