



Microsoft Dynamics Customer Solution Case Study



Customer: Acco Brands Asia Pte Ltd
Web site: www.accobrandasia.com
Number of Employees: 100
Country or Region: Singapore
Industry: Wholesale and Distribution

Customer Profile

Headquartered in Lake Zurich, Illinois, the NYSE-listed ACCO Brands Corporation is one of the world's largest suppliers of branded office products. With FY13 revenue of \$1.77 billion, ACCO has about 100 staff in its Asian operations across Singapore, China, Japan and Malaysia.

Software and Services

- Microsoft Dynamics
 - o Microsoft Dynamics NAV

Benefits

- Gained double-digit growth without adding staff
- Enabled more detailed item master classification
- Enhanced management visibility with more granular reporting
- Increased control over product cost and credit limit
- Fulfilled stringent Japanese legislative requirements

For more information on Microsoft Dynamics, visit <http://www.microsoft.com/en-us/dynamics/default.aspx> or email: mbsasia@microsoft.com

For more information about Acco Brands Asia Pte Ltd call (65) 6776 0195 or visit <http://www.accobrandasia.com/>



Office Products Leader Gained Double-Digit Growth Without Additional Manpower Resources

"We now have enhanced visibility into sales performance by channel segmentation, specific product variant and sales region. What used to be "Rest of Asia" can now be subdivided for more granular visibility. The enhanced visibility gives us key insights as we make decisions on where to invest our resources where business is growing."

-- Mr Scott Buttle, Vice President and General Manager, Asia Pacific, ACCO Brands Asia Pte Ltd

To double its growth in the Asian region every five years, leading office products supplier ACCO needed an integrated, pan-Asian ERP system to enable real-time management reporting, standardise business processes and enhance supply chain efficiencies. With Microsoft Dynamics, ACCO successfully achieved double-digit year-on-year growth without adding manpower resources. Enhanced visibility into sales performance by channel segmentation, specific product variant and sales region enables ACCO to make timely investment decisions while fulfilling corporate reporting needs.

Situation

As one of the world's largest suppliers of branded office products, ACCO Brands Corporation's (ACCO) products is marketed in over 100 countries across the globe. Counting widely-recognisable brands like AT-A-GLANCE®, DAY-TIMER®, Mead® and others amongst its offerings, ACCO leads the market with its full range of offerings across all price points – ranging from pens costing \$1 to finishing machines costing \$300,000 and more. Headquartered in Lake Zurich, Illinois, the NYSE-listed company achieved FY13 revenue of \$1.77 billion. With its Asian operations headquartered in Singapore, ACCO employs about 100 staff in Singapore, China, Japan and Malaysia.

Although faced with a highly competitive marketplace with overcapacity in Asia, ACCO has set a growth plan to double the region's \$50 million revenue every five

years. To achieve this target, ACCO knew that it was time to address the nagging worry about its legacy MXP Enterprise Resource Planning (ERP) system, which was reaching its end-of-life status. "We needed a pan-Asian ERP system, powered by a common database, that will enable real-time, transparent management reporting; standardise business processes across multiple offices; increase tracking and management of supply chain processes, and enhance overall operational efficiencies," said Mr Scott Buttle, Vice President and General Manager, Asia Pacific, ACCO Brands Asia Pte Ltd.

Solution

According to Mr Buttle, enhancing transactional efficiencies in processes like order entry is vital in ensuring competitiveness in the fast-moving industry. Other key criteria in its checklist





included: scalability, on-going long-term support, and wide-spread availability of software development and consulting capabilities in the industry. After an extensive evaluation of available market offerings, including Infor M3 used in its European operations, ACCO chose Microsoft Dynamics for these reasons. "We were assured of Microsoft's continual investment in Microsoft Dynamics with its comprehensive product roadmap. Microsoft Dynamics also stood out with its intuitive, familiar user-interface; ease in implementation and price competitiveness," explained Mr Buttle.

ACCO appointed Winspire Solutions Pte Ltd (Winspire), a Microsoft Gold Certified Partner for ERP, to handle its implementation of these modules of Microsoft Dynamics NAV: Financial Management, Sales and Marketing Management, Purchase Management, Inventory Management and Reporting. A dual-country implementation was carried out concurrently in Singapore and Japan, and the systems went 'live' in June and September 2012 respectively.

Pleased with Winspire's domain knowledge of the distribution industry, Mr Buttle commended, "I would give the Winspire team at least an 8/10 for an implementation experience that was definitely better than what we have experienced with other IT vendors. The Winspire team impressed with their "can-do" attitude. When issues arose during the implementation, the owner himself got involved to resolve the issues quickly. It is very rare to see such dedication." Mr Buttle added that the four-month Singapore implementation went better and faster than anticipated, while the Japan implementation took an additional three months, due to the localisation processes, which required assistance from a local vendor.

Benefits

With improved transactional efficiencies, ACCO has seen double-digit growth without adding new staff. Microsoft

Dynamics' ability to support more granular item master classification, and better channel and sales region segmentation, has empowered business intelligence and increased management visibility to support faster, more informed decision-making.

Gained Double-Digit Growth Without Adding Staff

The biggest benefit ACCO has gained from its Microsoft Dynamics investment, is the consistent double-digit year-on-year growth it has achieved since implementing the new system – without having to add new staff. "Growth automatically translates to more transactions, orders and deliveries. With streamlined and automated transaction order processes, backed by a common database, our staff now finds it faster and easier to look up customer account numbers, product item numbers and more. This has enhanced efficiencies, improved customer service and enhanced customer satisfaction," said Mr Buttle.

Support for More Detailed Item Master Classification

The implementation of Microsoft Dynamics is timely in supporting ACCO's Item Master Classification which has been extended from four to five levels to more than 10 levels. The classification system is a centralised matrix of product information, which classifies each product into its respective categories, recording every product data and variant. For example, a notebook will be categorised within the system starting from its lowest level, from SKU number, format (eg. hard case or soft case), size (eg. A4, A5, A6 etc.); then moving up the levels to product type (eg. notebook, journal etc.), product family (eg. stationery) and finally office product.

"Besides supporting an expanded matrix of product classification, Microsoft Dynamics has enhanced efficiencies by automating and self-populating fields with the entry of just one product data, such as its SKU. This has helped to cut manual work, especially when creating new product SKUs, which increases productivity and ensures accuracy," said Mr Buttle.

Enhanced Management Visibility with Business Intelligence and More Granular Reporting

Integrated ledgers for financials have streamlined month-end closing to better meet ACCO corporate's four-day deadline, with less manual work, less overtime required and quicker final profit/loss reports. Thanks to Microsoft Dynamics' single database that integrates all business functions, management visibility is also enhanced with the ability to slice and dice data at a more granular level. Different variants of the same product sold in different parts of the world can now be

coded differently. This enables ACCO to see sales performance by specific variants and empowers the Asian team to better respond to ad-hoc reporting requests from corporate.

Mr Buttle explained, "We now have enhanced visibility into sales performance by channel segmentation, specific product variant and sales region. What used to be "Rest of Asia" can now be subdivided for more granular visibility. The enhanced visibility gives us key insights as we make decisions on where to invest our resources where business is growing." He added, "More importantly, it serves as an 'advanced warning system' which flags areas needing more attention, by allowing us to ask questions earlier and get answers faster. This has enhanced accountability across the board -- from product development, channel management to sales teams."

Increased Control over Product Cost and Credit Limit

With Microsoft Dynamics, ACCO now wields better control over its costs to better manage product sourcing. Instead of using 'average cost' across different batches of the same product, standard cost is now used to better evaluate sales teams against gross profit, while the procurement team is assessed based on cost variances. The ability to set credit limits against several parameters is another area of enhancement. Unlike previously where only one limit can be set, now multi-dimensional limits can be set, enhanced by an automated flow of role-based approval, which ensures fast and secure credit limit approvals.

Fulfilled Stringent Japanese Legislative Requirements

With Japan as one of ACCO's largest territories in Asia, ACCO needed total localisation for its Japanese system to meet specific requirements around Summary Invoicing and Account Receivables Collection. "Microsoft Dynamics' easy customisability and the expertise of the Japanese vendor which Winspire has partnered, ensured successful Japanese localisation and enabled us to meet stringent legislative requirements," said Mr Buttle.

Looking Ahead

ACCO is working with Winspire to enhance the system to better track availability-to-promise dates and improve sales order fill rate. Plans are also underway to extend Microsoft Dynamics to more countries in the region. Mr Buttle said, "We feel very confident with Microsoft Dynamics' scalability to meet our needs as we grow and extend our leadership in the Asian marketplace to meet our growth targets."