CASE STUDY: TRICORBRAUN

TricorBraun updates technology for expansion and integration

Overview

Headquartered in St. Louis, Missouri, TricorBraun is a distributor of rigid packaging and also provides value-added services for package design, engineering, logistics and distribution.

TricorBraun has established a solid reputation for excellent sourcing, design and delivery of rigid packaging for thousands of customers with high complexity and diverse needs. However, the company’s 35-year-old legacy system was no longer able to maintain the company’s pace of business. By implementing Microsoft Dynamics AX® and RSM US LLP’s distribution functionality, TricorBraun was able to streamline processes, improve how it serves its customers and leverage business information for better decision-making.

A popular marketing slogan used to be “You can have it your way.” TricorBraun takes that idea to heart and has built a successful business by providing package design, engineering, logistics and global sourcing for thousands of customers. Customers are able to have it their way and select pre-fabricated designs or build their own and may even use custom colors. Over 16,000 customers, primarily North American companies, have flocked to TricorBraun. The company has firmly established itself in its marketplace as a vendor that excels in delivering services for customers with high complexity and the need for multiple configurations.

TricorBraun has become the leader in their industry and have done so by their dedication to doing whatever is necessary for their customers, no matter how complex. This focus on customer service is managed by a relatively lean team of just over 500 employees, located at over 40 locations throughout the globe.

The focus on doing what is best for the customer is a driving force in the company culture. “TricorBraun is very customer-focused and we will roll up our sleeves to help meet the needs of our customers, no matter what level of the company you are,” said Doug Bolen, CIO, TricorBraun.
Background

TricorBraun processes over 14,000 sales orders, over 8,000 purchase orders and over 13,000 invoices monthly. Their branch offices fully encapsulate the end-to-end business model by selling to, procuring for and managing the logistics to deliver the end product to the customer. These locations were using a 35-year-old legacy solution with significant limitations.

These limitations impacted TricorBraun's ability to grow internationally and optimize how the company integrated with customers and suppliers. As an example, the system couldn't handle multicurrency and multilanguage capabilities and support for foreign markets. Other areas which suffered were cross-branch information sharing such as visibility into purchasing information and strategic sourcing opportunities.

The legacy platform was not an open system and TricorBraun was unable to integrate with customers and suppliers. It was also difficult to track item attributes and configurations across the company's 65,000 SKUs. “We identify items individually based on unique attributes as well as the supplier we get it from,” said Bolen. “It was very important to get a handle on all of these attributes and have a way to group and identify items.”

The company contended with inefficient processes, which impacted productivity. Executive leadership was starving for real-time and company-wide data that they could use to make global decisions.

TricorBraun has been growing, both organically and as a result of an average of one acquisition per year. It was important that the new solution be scalable as well as easy to use to help current and new employees get up to speed quickly using a familiar interface. The solution also had to be flexible enough to be modified over time without creating significant additional costs or complexity. In addition, the system had to provide “one source of the truth” with regards to data.

Solution

When TricorBraun looked at a new solution, they took a fast-track approach. A management consulting company was brought in to manage an accelerated selection process. TricorBraun narrowed down their list to several major industry solutions, including Microsoft Dynamics AX. An RFI was issued to each solution provider and after significant due diligence and evaluation, the company chose Dynamics AX.

“Microsoft was the clear winner,” said Bolen. “The solution met the bulk of our requirements and seemed simpler and easier to use. The cost of ownership was attractive as well. Microsoft is investing in the Dynamics AX product and we felt comfortable with where the company would be for the longterm.”

RSM was selected for its complimentary capabilities surrounding working with organizations that operate in highly complex and high transaction volume environments, strengths TricorBraun was able to validate with Microsoft. The RSM distribution solution components that the TricorBraun team selected also mirrored Microsoft’s look and feel, carrying through the familiar user interface that was important for TricorBraun to ensure speedy user adoption.

TricorBraun chose to implement Dynamics AX 2009, along with RSM distribution functionality, including Wireless Warehouse, Trade Promotions Management and Order Management enhancements. The RSM team guided the robust TricorBraun team—a team that numbered over 20 people at its peak—down the implementation path by using a combination of the Microsoft Sure Step methodology coupled with the experience of the RSM project leaders and Bolen, all of whom had numerous ERP implementations under their belts.

The project timeline was approximately 20 months. This included project planning and a nine-month phased roll out of the solution to 29 locations in North America, including the headquarters facility. During the rollout, the implementation team was even able to handle the onboarding of a TricorBraun acquisition that included three branches without greatly impacting project progress.

Results

All locations are now on an advanced ERP system. Business processes which before would put a stranglehold on TricorBraun’s back office are now managed correctly at the branch level. The addition of systematic checkpoints ensures that gross profit and revenue numbers are correct without manual intervention from back-office finance personnel. Batch invoicing takes the majority of the load off of the branches at the critical end-of-month time frame.

TricorBraun has implemented expanded item attributes to leverage better purchasing decisions and reduced item cost. The company will be able to take advantage of improved dashboards and metrics to access real-time reporting for business decisions and forecasting. TricorBraun can also put EDI and vendor-managed inventory in place to meet customer demands.

Due to automating manual processes, employees will be reallocated to more strategic, customer-facing roles.
Warehouse personnel are now completing receiving and shipping functions once managed by the office personnel.

Office personnel are now ensuring that transactions are correct before they hit the corporate accounting department, all of which saves closing time. Validation of key customer information means that strategic analysis at the corporate level can produce data that management can be assured is accurate.

The new solution enables TricorBraun to provide benefits to their customers directly as well. “If we can better manage our costs, we can sell at a more competitive price to our customers,” said Bolen. “If we are able to better integrate with customers through EDI and vendor-managed inventory, that will improve the services we can offer and our processes will be more efficient, so they will receive the product quicker.”

Finally, the solution will also benefit the organization’s sales force. Sales teams across locations will be better outfitted with applications on their smartphones to help prepare for customer meetings. This will help the sales team serve the customer more efficiently. TricorBraun will also use Microsoft Dynamics CRM to generate and store PowerPoint presentations and better track documentation.

“It’s been a partnership from the beginning with RSM,” said Bolen. “I think that is the tone we started out with and we feel it has worked out well.”