



Microsoft Dynamics NAV Customer Solution Brief



Customer: Pneus Supérieurs

Web Site:

<http://www.pneussuperieurs.qc.ca/> and
<http://pneusbelisle.com/>

Customer Size: 32 Employees

Country or Region: Quebec

Industry: Wholesale/Distribution

Partner: ERA Consulting Group

Organization Profile:

Pneus Supérieurs and its sister companies is a Quebec-based, family-owned tire wholesaling, distribution and retreading business with revenues of more than \$100 million. The companies distribute multiple categories of tires and related accessories for cars, trucks, farm and agricultural equipment, off-road vehicles and material handling equipment.

Software and Services:

- Microsoft Dynamics NAV 2009 SP1
- Microsoft® SQL Server® 2008

Hardware

- Dell PowerEdge 2950 2-cpu quad core 3Ghz

For more information

In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. To access information using the World Wide Web, go to: <http://www.microsoft.com>

For more information about ERA Consulting Group call (866) 990-0372 or go to: <http://www.group-era.com>

Microsoft Dynamics NAV helps Tire Distributor consolidate business management to one system

“With Microsoft Dynamics NAV, we can see the data that we need to run the business – what gains we can achieve, where we should automate, what information will enable our workers – and we have the flexibility to use that data to promote best practices, improving processes for competitive advantage.”

Nathalie Belisle, Project Manager, Pneus Supérieurs

Business Needs

When a company is trying to maintain leadership in the highly competitive tire wholesaling and distribution industry, how it manages its business can be an important differentiator. But for Pneus Supérieurs, the systems popular in its industry lacked the capabilities to manage the full spectrum of its business, from order entry and purchasing to distribution and warehouse management.

Pneus Supérieurs wanted to manage its entire business with one system, but ended up working with four systems for business management, distribution, garages and tire retreading. “We tried several different solutions, but none addressed the full spectrum of our specific requirements,” says Nathalie Belisle, Project Manager, Pneus Supérieurs. “We wanted a single system that could manage every aspect of a company like ours – with multiple lines of business, revenues of

more than \$100 million and an intensely competitive market.”

Besides the lack of flexibility and inadequate visibility into performance, Pneus Supérieurs’ system created unneeded costs to service its distributor community. With intense competition and low margins, the battle for business-to-business loyalty is being fought in the service trenches. Simplifying business-to-business activities for distributors is critical.

For Pneus Supérieurs, staking its ground in that service war came with a cost. To enable distributor access to its system, Pneus Supérieurs had to pay an Internet connectivity fee of \$120 per year per distributor code. This fee meant that the company had to limit distributor codes to 700 rather than its desired 2,500. And even with that limitation, Pneus Supérieurs was still paying \$85,000 per year just to enable distributors to use its system.



Solution

Based on unsatisfying experiences with systems that came from good references, Pneus Supérieurs decided to engage a consultant for the solution selection process. The Business Development Bank of Canada referred a software specialist who narrowed the choices down to three including Microsoft Dynamics® AX and Microsoft Dynamics NAV®.

“Our user community had a strong preference for one of the industry-specific solutions,” says Belisle. “But we felt that that solution had a limited future for us in terms of how we wanted to adapt it to support our growth as a company. Microsoft Dynamics AX offered the comprehensive functionality, but we felt it was a larger solution than we needed. Microsoft Dynamics NAV offered the affordability, adaptability and speed of deployment that we demanded, with a roadmap that extends until 2017.”

Microsoft Dynamics NAV offered the capabilities that Pneus Supérieurs was looking for – financials, sales, quotes, purchasing, inventory management and warehouse management. The company worked closely with Microsoft Certified Business Solutions Partner ERA Consulting Group to complete the very aggressive implementation.

“Pneus Supérieurs wanted to go live on February 1, 2010. That gave us two to three months for the implementation, making our methodology a critical component,” says Sébastien Fontaine, Practice Manager Dynamics NAV, ERA Consulting Group. “We focused on helping Pneus Supérieurs take ownership of the solution and its implementation. It was about training the client as a trainer rather than having to rely

on consulting expertise throughout the lifespan of the solution.”

In Fontaine’s view, the simplicity and user friendliness of Microsoft Dynamics NAV were the key drivers behind his consultants meeting the six-week go live time frame. A consultant remained on site at Pneus Supérieurs for just two weeks following implementation.

“We implemented Microsoft Dynamics NAV at a very low service-to-license ratio of 0.6:1, lower than the ratio we see for competing solutions,” says Fontaine. The functionality of Microsoft Dynamics NAV combined with our ‘take ownership’ methodology has enabled Pneus Supérieurs to get the solution up and running quickly in its primary site and self-manage the implementation in two smaller, secondary sites.”

Benefits

Within a three-month timeframe, Pneus Supérieurs gained the capabilities to manage its business proactively with one system that provided the flexibility and visibility to enable more confident decision making and promote best practices.

Solution ownership. Belisle and her team can understand the data that they are using and can customize the application as business requirements shift. With that level of ownership, Pneus Supérieurs can develop best practices and promote a standardized way of working across all lines of business.

User satisfaction. There has been widespread acceptance of the new interface within the user community. Users highlight a greater understanding of what they are doing with data as a key

advantage. They expressed positive feedback about gaining access to relevant sales data, financial information and inventory evaluation.

Process improvement. With the customization capabilities and automation enabled by Microsoft Dynamics NAV, Pneus Supérieurs has been able to improve key business processes including order and supply management. For example, the company can now automate the EDI processes available from Michelin, its largest supplier.

Control and visibility. The information available within the Microsoft Dynamics NAV system is much more detailed, so Pneus Supérieurs can validate its data. This is a significant benefit for invoicing. Pneus Supérieurs generates approximately 500 invoices per day. The company now has the tools to validate the numbers and eliminate potentially costly errors.

Improved warehouse management. The tire industry is intensely competitive, where key players maintain high levels of inventory. Belisle foresees that using Microsoft Dynamics NAV to improve warehouse inventory management will have positive impacts on the bottom line as well as prove to be an industry differentiator.

Finance optimization. Prior to implementing Microsoft Dynamics NAV, Pneus Supérieurs was essentially paying its accountants to correct input errors. But with a structured backend (forms, fields and business rules), the system is more coherent and helps to eliminate data input errors. The accounting team now has the freedom to deliver value by focusing on profitability and performance.