

Hoshizaki is the world's largest manufacturer of ice-making equipment. Headquartered in Japan, the business has over \$2 billion in sales, 10,000 employees, and nine factories worldwide. Hoshizaki Europe is responsible for serving Hoshizaki's extensive European customer base.

Results:

- End-to-end integration
- A single version of the truth
- Better inventory control
- Improved business processes
- Better customer service

Industry:

Manufacturing

Country: United Kingdom

Size: 10,000 employees

Users: 60

Technology Environment: Microsoft Dynamics AX 2012

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Global Refrigeration Manufacturer Achieves End-to-End Control with Microsoft Dynamics AX

"We've gone from a fragmented view of the business to a seamless, end-to-end process. As a result, we've achieved greater control, greater efficiency, and greater visibility."

Jason Stokes, IT Coordinator, Hoshizaki Europe

Hoshizaki is the world's largest manufacturer of commercial ice-making machines, and the second-largest manufacturer of commercial refrigeration equipment. Its European operation, Hoshizaki Europe, comprises a European sales and service headquarters in Amsterdam, and a manufacturing and distribution facility in Telford, UK.

In 2010, Hoshizaki Europe realised it had outgrown its existing patchwork of legacy systems, which included a Sage financial system, a Japanese inventory management system, and a separate system for sales. Lacking full integration, individual functions within the business were forced to use these separate systems to complete tasks, consuming additional staff time and resource in the manual re-keying of data, and making it difficult to obtain 'one version of the truth'.

Jason Stokes, IT Coordinator, Hoshizaki Europe IT explains, "The business recognised a number of missed opportunities imposed by its continuing use of legacy systems—such as exploiting barcode technology and improving inventory turns by matching safety stock levels to actual demand patterns."

At the same time the business had become aware of Microsoft Dynamics AX, having acquired a Danish company that had successfully implemented the solution. Being impressed with its ease of use and flexibility, the decision was taken to purchase and implement Microsoft Dynamics AX right across Hoshizaki's European operations. The challenge was finding the right implementation partner to handle the UK-based manufacturing and distribution operation.

"We're a large company, and we were looking for a firm capable of partnering with a business of our size," explains Stokes, "But just as importantly, we needed to find a partner with the right skill set—and with eBECS, we found the depth of manufacturing and inventory management skills that we required."





Complete integration

Using multiple systems to run a company inevitably results in multiple views of how the business is doing—none of them necessarily correct. And thanks to gaps, overlaps and manual re-keying, those multiple systems deliver multiple inefficiencies. No longer.

Jason Stokes, IT Coordinator at Hoshizaki Europe states, "We've gone from an incomplete, fragmented view of the businesses and its processes, to a seamless, endto-end process. And as a result, we've achieved greater control, greater efficiency, and greater visibility. For Hoshizaki Europe, the future is Microsoft Dynamics AX."

Results & Benefits

The first implementation phase included embracing the functionality covered by the previous legacy systems. This was followed by implementing wholly new functionality, such as purchasing and manufacturing. Specific benefits of the move to Microsoft Dynamics AX 2012 include:

End-to-end integration

Instead of a clutch of standalone systems lacking integration, Hoshizaki Europe now has complete end-to-end, order-to-cash business process, covering new machines for sale, as well as spare parts and service. Manual rekeying has ended, bringing substantial savings in employee time and effort. "As a combined, integrated system, Microsoft Dynamics AX is delivering significant efficiencies," states Stokes.

A single version of the truth

With manual re-keying of data into different systems, and those different systems' different internal processes, Hoshizaki Europe had lacked a single, consistent view of its business. Worse, as well as overlaps between different systems, there were also gaps, calling for manual workarounds and paperbased systems—again bringing inconsistent views of the business. Stokes explains, "From a reporting and control point of view, the move to a single system has delivered greatly enhanced visibility. Instead of debating which set of figures is correct, we can take better decisions and take them sooner."

Improved business processes

Previously, parts were purchased by two separate departments—one sourcing items from the parent company in Japan, the other sourcing from elsewhere. Using Dynamics AX 2012 to provide an integrated end-to-end order-to-cash system, the business has been able to significantly streamline its business processes, orienting them around best practice and delivering efficiency improvements. Stokes explains, "We needed to rationalise and create a single, merged Bill of Materials. The result has been a significant streamlining in our operations and improved internal efficiencies."

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Better inventory control

Through a combination of identification technologies such as barcoding, and by creating a seamless integrated end-to-end process covering parts ordering to machine construction and aftersales service, Hoshizaki Europe is enjoying significant improvements in inventory turns. "We're far better able to keep track of inventory and match safety stock levels to actual demand, reducing the inventory we need to carry," says Stokes.

Better customer service

A single, integrated single ERP system, containing details of every customer order, has delivered substantial improvements in customer service, thanks to the end-to-end visibility it provides. Stokes states, "Sales staff can refer to the system while talking to the customer, and see information they couldn't see before—such as a product's build date. It gives them a much more complete view of all customer 'touch points' and customer service has significantly benefitted as a result."

For more information about Microsoft Dynamics, go to: <u>www.microsoft.com/en-</u> <u>gb/dynamics/default.aspx</u>

Next Steps

- <u>Connect with Microsoft Dynamics</u>
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