



# Distributor Sustains Growth with Microsoft Dynamics AX

JJ Food Service, based in north London, is one of the leading independent food and catering equipment distributors in the United Kingdom, with annual revenue of around £185 million. In business for over 24 years, the company has eight facilities and serves more than 50,000 customers with its roughly 4,000 products.

## Results

- Power innovation and change
- Enable ERP support and development with only three staff
- Drive impressive year-over-year growth in the tens of millions
- Gain insight and control over operations

## Industry

Distribution

## Country or Region

United Kingdom

## Customer Size

1,000 employees

## Number of Users

400 employees

## Partner

eBECS

## Connect with JJ Food Service

[www.jjfoodservice.com](http://www.jjfoodservice.com)

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Mushtaque Ahmed, Chief Operations Officer, JJ Food Service

JJ Food Service is one company that never sleeps. Running 24 hours a day, seven days a week, JJ Food Service distributes food to thousands of customers across the United Kingdom, ranging from restaurants and grocers to schools and football clubs.

"We capture customer orders until 10 P.M. and then must have our trucks loaded and ready for our drivers by 5 A.M. the following morning for next-day delivery," says Mushtaque Ahmed, Chief Operations Officer at JJ Food Service. "The only thing our business can really be compared to is the 4 by 100 meter relay race in the Olympics. We must hand the baton from the order-taking team to the logistics team to the warehouse team and then to the delivery team at all hours of the day, all days of the week, and downtime cannot be tolerated."

In this tireless environment, efficiency is everything, and the company will seize any advantage to control its costs, maintain its competitive edge, and drive effective growth. To that end, the company made the decision in 2004 to switch from its then-aging Pegasus Opera accounting package to a more robust, yet flexible, enterprise resource planning (ERP) system.

## Choosing Microsoft Dynamics AX

In choosing an ERP system, JJ Food Service considered SAP, JD Edwards, Sage Enterprise, and Microsoft Dynamics AX, and ultimately chose the latter. "We didn't want to go with a bigger system like SAP because we knew it would require significant staffing and outside consulting costs in order for us to control it," says Ahmed. "Microsoft Dynamics AX, on the other hand, provided the exact functionality we needed and we could grow it right along with our business. In addition, it required a skill set that we could support in-house, enabling us to take charge of our own destiny."



**Mushtaque Ahmed**  
Chief Operations Officer, JJ Food Service

Working at JJ Food Service for over 16 years, Mushtaque Ahmed has had various roles, ranging from head of logistics in the late 1990s to his current position as Chief Operations Officer. In these roles, Ahmed notes that he has maintained a strong focus on software rollouts and innovation. Currently, he works closely with the JJ Food Service IT team—along with its Microsoft partner and Microsoft itself through the Technology Adoption Program—to keep the company on the leading edge as far as ERP technology is concerned. Says Ahmed, “I grew with the company and with the software itself. I have been there from day one and involved in the implementation from the beginning.”

Connect with Mushtaque Ahmed



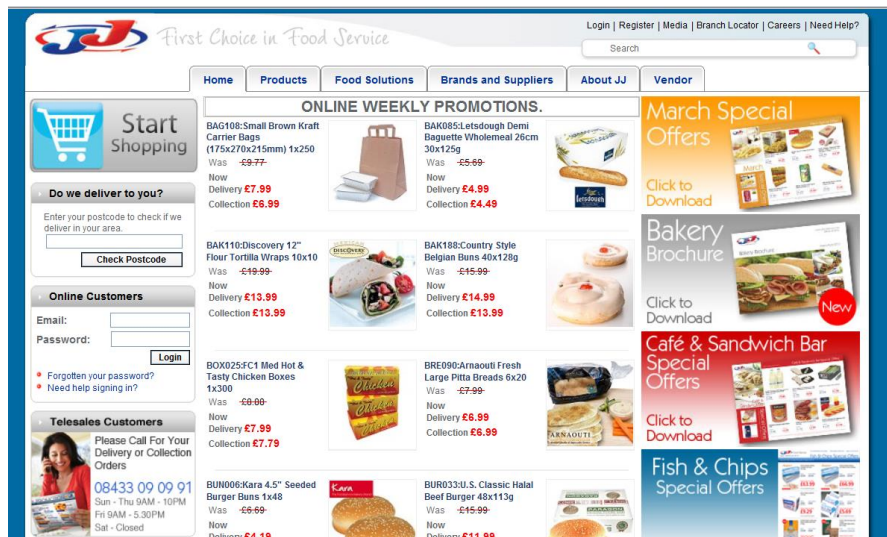
“By choosing Microsoft Dynamics AX, we knew we could manage our entire ERP infrastructure with only a few staff in IT while maintaining a level of agility that is really unprecedented in the industry,” adds Rif Kamil, Chief Information Officer at JJ Food Service.

### Running Everything, All on One System

In terms of Microsoft Dynamics AX growing right alongside JJ Food Service, Ahmed was spot on. Since deploying the solution in 2004, the company has expanded the deployment to cover all aspects of its business. Says Ahmed, “Microsoft Dynamics AX handles our procurement, our sales cycle, our warehouse and inventory management, our financial ledger, our human resources—everything.”

JJ Food Service also expanded its Microsoft Dynamics AX deployment to the web, providing bidirectional integration with its e-commerce site. Customers who wish to place orders online first register to receive a user ID and password, and from that point on, Microsoft Dynamics AX powers the entire shopping experience from the back end. Explains Ahmed, “Microsoft Dynamics AX provides our e-commerce site with all its business rules such as the minimum order value for a customer’s address, the days of the week we deliver to a specific area, and the specific products that are available for an area. It also displays our promotions and recommends products based on customers’ buying histories.”

Using the site, which consumes both data and logic from the ERP system, shoppers select what day of the week they want delivery and pick a time slot. Shoppers then proceed to checkout, reviewing and amending their orders and selecting a payment method, such as paying by credit card over the web or paying the driver on delivery.



The JJ Food Service e-commerce site is powered by Microsoft Dynamics AX.

## JJ Food Service's Technology Environment

Servers	Windows 2008 R2 (moving to 2012)
ERP system	Microsoft Dynamics AX 2012
CRM system	Microsoft Dynamics AX 2012
Business database	SQL Server 2008 (moving to 2012)
Communications infrastructure	Microsoft Lync 2013
Desktop systems	Microsoft Windows 7

The company's call center staff can also support online shoppers, using Microsoft Dynamics AX to help customers place orders or to view customer buying histories to fuel cross-selling and up-selling opportunities.

After orders are placed, the JJ Food Service dispatch team uses Microsoft Dynamics AX to review delivery areas by postal codes and the times that vehicles will be available in those areas. The team can then optimize deliveries based on customers' opening hours. From there, JJ Food Service then produces a picking and loading list for warehouse staff. After the trucks are loaded, drivers receive shipping and billing information on their handheld devices. They can then use those devices while onsite with the customer to make any adjustments to the delivery, such as noting whether an item is damaged or adjusting the quantity of items the customer wants delivered, and then to receive payment.

### Taking Advantage of Business Insight

Aside from the ability of Microsoft Dynamics AX to grow with JJ Food Service, its ability to provide comprehensive company information has been key to the company's success. Drawing on a central source of truth, at the end of 2012 the company was able to recognize that the sales of one of its products were dropping considerably due to competition and changing market conditions. JJ Food Service responded to this challenge by offering the troubled product at discount for customers who ordered online using a credit card. In this way, JJ Food Service lowered its overhead costs, in turn allowing it to lower the price of its goods and recapture lost customers and sales.

## Benefits

Having used Microsoft Dynamics AX for more than eight years and undergone several upgrades during that period, Ahmed points out that the JJ Food Service team has never regretted its decision. He says, "Microsoft Dynamics AX was the right decision, and each year we say that with even greater confidence. The flexibility it provides us as a business is critical to our growth and could not have been achieved with any other ERP system."

### Power Innovation and Change

JJ Food Service is a company that must react quickly to changes in the market to remain competitive. And the Microsoft Dynamics AX solution has kept pace with the company's growth, even been at the forefront of much of the innovation. The rollout of the web and e-commerce capabilities were completed in just six months—and these initiatives have contributed to 80 percent of the company's growth over the past four years.

While there's no doubt that the solution enables change, Ahmed notes that what is most impressive is the *speed* at which those changes can be

## JJ Food Service's Results with Microsoft Dynamics AX

Revenue driven by single new feature	£100,000 in nine weeks by taking advantage of catch weight functionality
Number of staff to support ERP	3 fulltime
Time to deploy ERP to new locations	One business week or less
Time to deploy new functionality and customizations	One business week or less on average

made. Recalling the company's offering discounts to recover lost sales on a particularly competitive product, Ahmed says, "Recognizing fierce competition on prices, we were able to roll out the capability to discount online credit card purchases in a matter of days."

"Many of our changes to Microsoft Dynamics AX are only a day's work and certainly less than a week's work," Kamil adds. "If we were using a traditional ERP system, they would have taken months."

Other improvements in the business have been a result of the evolving capabilities of the ERP solution. For example, Microsoft Dynamics AX 2012 introduced the ability to manage catch-weight ranges. Using this capability, JJ Food Service was able to introduce four new items, resulting in £100,000 of new sales in only nine weeks, a number that is certain to grow as the year plays out. Says Ahmed, "We were just trying out new functionality and the result was phenomenal. The procurement team is desperate to do more with it."

### Support Robust ERP with Only Three Staff

To support and deliver customizations to the ERP system of a £185 million distribution company requires only three fulltime staff. For complex projects, like upgrades, JJ Food Service works with its Microsoft partner. Says Ahmed, "For a company that serves 50,000 customers and must be able to provide next-day delivery, the fact that we can support our entire ERP system with only three people is extremely impressive."

### Support Impressive, Year-Over-Year Growth

Since deploying Microsoft Dynamics AX, JJ Food Service has grown its revenue from £71 million to £185 million, including a £47 million jump in last two years. During this time, the company also opened a number of new branches: Most recently, in the winter of 2011, it opened its seventh branch and its eighth branch only six months later.

To support this expansion, JJ Food Service also expanded its ERP deployment to accommodate the new branches, but as Ahmed points out, the effort required to do so was minimal. "In terms of expanding our deployment of Microsoft Dynamics AX, we don't even consider opening a branch to be a project," he says. "We can manage the whole rollout of Microsoft Dynamics AX to a branch in four to five working days with our own staff, and nobody, except for our IT staff, even notices that it's going on."

### Keep a Finger on the Pulse of the Business

With all business information in one system, Ahmed can monitor the business and make changes as new opportunities or challenges arise. Currently, he and his teammates use dashboards that display key performance indicators such as numbers of boxes accepted as orders versus orders loaded to the vehicle and the number of failures in stock availability.



## eBECS

eBECS is a leading Microsoft Gold Certified ERP partner, developing world-class Lean and agile business solutions based on Microsoft Dynamics AX.

Our industry-specific Microsoft Dynamics AX solutions increase business performance and cut inefficiencies and cost.

"In the selection process, you get to meet a lot of potential partners. But we 'clicked' immediately with eBECS—they were head and shoulders above the competition. We liked their culture, their style of working, their attitude to getting things done, and their ability to deliver on what they've promised."

Rif Kiamil, CIO,  
JJ food Service

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Says Ahmed, "Because the health of the business is available with very few clicks and doesn't require a lot of reporting, I not only have good insight into what is going on at any given moment, but I can also free my time up to focus on strategic planning to determine what new capabilities to deploy next, what products to pursue, or even to determine where we will open our next branch."

Ahmed also notes that the ability to drill down into information is particularly helpful. He says, "One of the strongest features of Microsoft Dynamics AX is that I can drill down through all the information we have. In terms of visibility, there are absolutely no concerns or issues. I can see everything I need to."

## Next Steps

- [Connect with Microsoft Dynamics](#)
- [Become a Dynamic Business](#)
- [Read about ways other retailers are using technology to increase the velocity of the business](#)

For more information about Microsoft Dynamics, go to:  
[www.microsoft.com/dynamics](http://www.microsoft.com/dynamics)

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Document published May 2013

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