

“The solution Koorb put together for us very much delivered what was promised.”

– David Josephson, CFO and General Manager, Ceres

Ceres Organics – taking the path to becoming healthy, happy and wise

Starting in 1982 as a ground breaking weekend co-operative selling organic foods which then evolved into a small shop in Ellerslie by 1984, Ceres has always been at the forefront of the organic food movement in New Zealand.

Today, Ceres is the premier certified organic distributor in New Zealand & Australia. Their product range has grown to include organic and bio-dynamic food lines - packaged retail goods, bulk ingredients and fresh produce; environmental cleaning and personal care products; health and beauty products; books and art materials. With 70 plus staff, Ceres distribute products direct to end consumers via their Ellerslie retail outlet and three websites, and distribute to organic and health food stores, supermarkets, wholesalers, manufacturers and co-ops all across New Zealand & Australia.

Key warehousing issues included no visibility of batch dates; manual checking and selection of stock to ensure that the use-by dates fell within the shelf-life criteria set by their customers; overlooked and aging stock; a nightmarish stocktaking process for close to 4000 SKUs valued at around \$5M; inability to view stock levels accurately (critical when close to 90% of their stock is imported and has lead times of three to five months) and overstocking.

Ceres’ list of issues around their warehousing capabilities prompted them to go to market for a solution. However when they met with Koorb Consulting, the leading Microsoft Dynamics AX partner in New Zealand, it was soon obvious that although warehousing was a

Overcoming the past

The growth of Ceres had been impressive, so it wasn't surprising that its legacy business solutions were failing to keep pace, especially around the warehousing functionality – or lack of.



Industry: Organic products
Project Type: Implementation

Quick Facts:

Website: www.ceres.co.nz	Customer Size: 70 staff	Benefits: <ul style="list-style-type: none"> • Stock accuracy leapt from 80% to 99% • 100% improvement in stock pick/pack despatch • Forecasting and batch management 10% increase in ordering accuracy • Overstocking reduced by 8-12% • Projected 30% increase in business • 20% overall increase in efficiencies • 100% accuracy in all retail transactions • 100% reduction in double handling of orders
Solutions: Microsoft® Dynamics AX2009 Microsoft® Dynamics RMS (Retail Management Solution) Microsoft® SharePoint Server 2010 Microsoft® SQL Server 2008 Microsoft® Windows Server 2008 R2 Microsoft® PerformancePoint Services RF-Smart for Microsoft® Dynamics AX CreatelForm for Microsoft® Dynamics AX Atlas Sales Forecasting for Microsoft® Dynamics AX FRx for Microsoft® Dynamics	Workstations: 27 concurrent AX users 16 wireless warehouse users	
Year: 2010	Functional areas: Financials Supply Chain Management Advanced Warehouse Management Sales Forecasting Master Planning Production Retail Business Analysis and Reporting	

pressing need that processes throughout the whole company could be greatly improved.

Amongst the processes highlighted was the old legacy system being used as a retail system, something it wasn't purpose built for and resulting in EFT-POS errors; outsourced production of business documents like invoices, which were pre-printed and difficult and expensive to change and manage; the complexities of forecasting and purchasing without a dedicated solution, and an EDI that never really worked and required double entry of every transaction.

A truly holistic solution

With Microsoft Dynamics AX and Dynamics RMS (Retail Management Solution) as the key business systems surrounded by a range of leading integration ready ISV (independent software vendor) solutions, Koorb's proposed solution was end-to-end, highly functional and seamless.

RF-SMART for Microsoft Dynamics AX would provide the zoned real-time wireless warehousing system to address poor stock accuracy, planning, shrinkage and slow despatch and wastage. The RF scanning functionality would put paid to the stocktaking nightmare.

Create!form for Microsoft Dynamics AX would enable the internal creation and branding of documents and the Ellerslie retail outlet would finally achieve true error free EFT-POS integration with Microsoft Dynamics RMS (Retail Management Solution). RMS would link directly to Dynamics AX through a purpose built interface developed by Koorb.

Locally developed Demand Forecasting for Microsoft Dynamics AX would help Ceres calculate forecasts of future demand for products based on sales order or invoice demand, and purchase accordingly.

The application of some time and experience from Koorb's development consultants would provide an EDI solution that finally worked.

Meanwhile Koorb's dedicated BI (Business Intelligence) team would set up the Microsoft Dynamics AX Role Centres for at-a-glance visibility of all impending and outstanding actions and information required by role, as well as management dashboards using PerformancePoint under SharePoint Server 2010 to provide insight into sales and inventory and a range of very clever reports (one especially to tackle an on-going supplier problem where general disorganisation was causing Ceres to experience backlogs, loss of sales and unreliable planning/forecasting).

Ceres three customer websites would also be interfaced to Dynamics AX giving real time visibility of available stock and direct entry of online orders into AX.

Benefits you can see and measure

David Josephson, CFO and General Manager of Ceres Enterprise, has seen huge improvements for the company through the implementation.

"Our stock accuracy has leapt from 80% to 99%, and we now have the ability to manage everything down to a batch, location and pallet level. With intelligent 'pick, pack and put away' enabled by AX and RF-SMART there is a 100% improvement on our despatch processes. Despatch used to be two days from receipt of order, now it's down to same day or next day at the latest.

"Through the improved forecasting and batch management we've achieved a 10% increase in ordering accuracy and our overstocking has been reduced by 8-12%, and we expect that to improve further still. This has directly impacted on the satisfaction of major customers who have experienced the knock on effect of continuity of supply. With the greater visibility of our stock levels we can now sell through old stock at a discount, whereas before we couldn't - so that's a huge saving for us. Also, now we can see more accurately what's selling, or not, we can cut back on some of our imported lines."

The hand held scanners used as part of the warehouse solution have been immensely popular and quickly adopted.

"The staff love it," said Josephson. "We went live with scanning on day one as we had very little time to trial it because of the short implementation program. Everybody wanted to grab a scanner and get out there and start working, whereas we'd been concerned about resistance to change, but instead everybody was fighting over them."

Josephson predicts that due to the new technologies Ceres will be able to handle a 15% increase in turnover through the EDI and a 30% increase in business generally without reviewing staff levels.



The retail solution at the shop now produces 100% transaction accuracy and improved customer relations. "RMS is a true point of sale system with a front screen so that customers can actually see what's happening during their transaction and the integration to EFT-POS ensures it is error free," says Josephson.

Implementing Create!form delivered benefits Ceres hadn't anticipated. Print production of forms is no longer outsourced as all details are printed at the same time as the specific transactional information, saving money and increasing the potential to deliver effective branding throughout the entire relationship with vendors and customers.

Investing in the 'smarts' has delivered Ceres some very tangible results as well. The special report developed by Koorb's BI team to manage one particular supplier, giving visibility of upcoming work and helping eliminate bottlenecks, saw their production volume increase by 20%.


Josephson sees the role centres as probably being one of the biggest improvements delivered overall. Key amongst them is the one for their warehouse manager – which has notably contributed a further 20% in terms of everyday efficiencies within the company. "Having instant access so the warehouse manager and I can see in real time at what number of picker orders are outstanding is invaluable. From first thing in the

morning you can actually see if you're starting to fall behind. For us customer service is very important, so having that visibility has helped a huge amount. Warehouse staff can view their own performance, seeing how many items they have picked and how fast they are picking, so together we can work to improve processes which may be holding them back."

The bottomless money pit that was their old EDI solution was replaced and up and running within a very short time. It was implemented immediately with Progressive, followed by Foodstuffs and Farmers Trading, and saw orders being processed in a few minutes rather than the time wasting and efficient double entry process previously required.

Delivering best practise and best results

Best practise has been a keyword throughout the implementation.

"With Koorb's solution in place, and by leaving the processes the solution delivers largely alone, we have achieved far more visibility of the business as a whole, as well as improving specific issues around warehousing. Whenever you look at the information generated you now can count on it being accurate and usable, and valuable. It's very much delivered what Koorb promised." 

About Koorb Consulting

Koorb is a 100% NZ owned company - privately owned and operated by the Directors, Nicholas Birch and Paul McDowell-Hook. Both Directors work in the company. The company was established over 12 years ago and has offices in Auckland, Wellington, Christchurch and Dunedin.

The main focus of our business is implementing and supporting Microsoft Dynamics AX and Dynamics CRM. Our 30+ certified consultants together comprise the largest Microsoft Dynamics AX and CRM practice in New Zealand. All are certified and have extensive and wide ranging industry experience.

We have implemented and are supporting close to 60% of all Dynamics AX sites in New Zealand. This is a direct reflection of our strong leadership, highly experienced people and proven methodology.

In both 2007 and 2010 we won the Microsoft Partner Award for the Dynamics ERP Solution of the Year.



For more information about our products and solutions, please contact:

Nicholas Birch DDI: +64 9 360 3186
Managing Director Ph: +64 9 361 1304
E: nbirch@koorb.co.nz Fax +64 9 361 1305



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