



“Focused Functionality” Key to Ganong Bros.’ Success

Background

Ganong is a leading Canadian-based manufacturer of gift box chocolates, fruit snacks and sugar confectionery serving mass merchandisers, drug chains and grocery stores such as National Grocers, Sobeys, Shoppers Drug Mart, Wal-Mart, Canadian Tire, Safeway, A&P and London Drugs. Operating out of its St. Stephen, New Brunswick location since 1873, the company was voted one of Canada's 50 Best-Managed companies for three consecutive years.



Despite being a mid-sized manufacturer, Ganong believed strongly in the value of an experienced information technology staff and in what a new fully integrated enterprise system could bring to the

organization. Operating on a proprietary, heavily customized HP3000-based application for more than 17 years, the system was generally effective in processing the company's business transactions.

However, Ganong's management believed strongly that an improved information management system would enable them to make better, more timely business decisions, particularly in measuring customer and product profitability. Further, the new information system needed to have stronger order fulfillment and promotions management capabilities.

Ganong also recognized that, while their confectionery manufacturing business environment placed them within the realm of needing a process-specific software application, they wouldn't require anywhere near the capabilities offered by most process manufacturing vendors. Instead, their manufacturing processes were aligned more towards a hybrid or mixed-mode style, with requirements for both batch and discrete capabilities.

System Evaluation

In the summer of 2001, Ganong engaged the IBM Global Services Division in Canada to assist with a formal evaluation of packaged applications. During

the extensive evaluation period, the team investigated nearly every major application on the market. They quickly recognized the relative merits and drawbacks of each package after weighing key criteria related to functionality, technology, price, ease-of-use and implementation. For example, some of the lower-end packages were easy-to-use and priced right, but lacked the robust functionality needed to meet system objectives. The higher-end packages certainly met the functionally test, but appeared complex, risky and costly.

Marc Lefebvre, Vice-President and CIO for Ganong, first encountered Adonix at APICS' annual membership conference. Although Adonix wasn't included on the initial short-list of vendors developed by IBM GSD, the initial demonstrations and discussions impressed him and the team enough to include Adonix later on in the evaluation.

The key to selecting the finalists was in determining which vendors offered a truly mid-market solution with the best balance of the aforementioned criteria mentioned. This eliminated Tier 1 and Tier 3 vendors, leaving Adonix as a final contender with food and beverage industry stalwarts QAD and Agilisys.

Final Decision

In August 2002, Ganong selected Adonix X3, believing that the software solution had the right amount of functional depth and breadth to achieve the company's system objectives and attain the fastest return on investment. "Adonix X3 has what I refer to as 'focused functionality'," Lefebvre said. "There wasn't a whole lot of stuff left on the table unused at the end of the day."

While running demonstrations using actual Ganong data, Lefebvre and the evaluation team were able to visualize how the system would work for them, specifically noting its easy-to-use design orientation. They lacked this feeling during other vendor demonstrations. In addition, Ganong discovered that Adonix provided integrated automated data collection capabilities, a feature that must typically be acquired from third-party specialists.

(continued)

Ganong selected Adonix X3, believing that the software solution had the right amount of functional depth and breadth to achieve the company's system objectives and attain the fastest return on investment.



“Focused Functionality” Key to Ganong Bros.’ Success *(continued)*

The Ganong team also saw the potential that Adonix' more technically advanced architecture would provide for them on into the future, especially the flexibility to move to a browser-based user interface at any time and at no extra cost, which would allow their customers to more easily connect to them in a collaborative arrangement.

The Implementation

The project kicked off in September 2002 and went live in May 2003. A two-phased approach was selected, with all core ERP functionality receiving the highest priority, while extended functionality and business enablers such as Finite Capacity Planning, Workflow Management and Web-enablement were deferred to a second phase. Ganong implemented a 35-user configuration in a Microsoft environment using Windows as the server operating system and the SQL Server relational database. Several factors contributed to a successful implementation.

Commitment from upper management to the dedication of resources. David Ganong, the company's president, issued a written statement expressing his support of the project and requested that the project team members put forth the required effort to make for a successful project.

Empowered employees. The Ganong project team members were long-time employees who understood the big picture of the company's business processes. Taking ownership of the project from the early stages, they were committed decision makers.

100% dedicated client project manager. Lefebvre had intimate knowledge of the company's business and information technology needs, having designed and implemented the legacy system. He oversaw a solid in-house IT department that was capable of handling the administration of the hardware and software systems.

Train-the-trainer approach. This method allowed training to be conducted on a one-on-one basis.

Frequent communication. Project team members and consultants identified requirements, issues and resolutions. The impact of decisions was considered by all team members, which allowed for the best solutions to be proposed.

A strong Adonix support team. Adonix' staff was on-site during critical project stages and worked directly with Ganong's implementation staff to guide them through the process. They provided insight into experiences and issues that had been successfully addressed in other Adonix X3 implementations, reducing time to solve issues and present solutions at a lower cost to the client.

Summary and Results

Adonix X3 is playing an important role in improving Ganong's information infrastructure. For example, accurately pricing and invoicing customer orders are critical in this industry. With Adonix X3, Ganong has been able to improve accuracy and reduce billing errors, and can now track off-invoice allowances at a detailed level. Plus, financial reporting is also much improved, now that management can easily access financial and statistical profitability information.

Ganong has also greatly improved the accuracy and timeliness of production recording through the use of the integrated Adonix Data Collection module, thereby improving the production planning process. "This is one feature of the system from which we derived benefits immediately right from go-live," Lefebvre added.

The second implementation phase included implementing Adonix X3's powerful Finite Capacity Planning tool with rules-based optimization and drag-and-drop visual scheduling capabilities which is helping optimize company resources.

Over time, the company plans to make maximum use of as much Adonix X3 functionality as possible in its quest to optimize its internal operations and relationships with customers and suppliers.