Dairy Crest Maintains Timely Delivery

Leading UK dairy producer reduces downtime risk and improves customer service with OpenText™ B2B Managed Services

As a United Kingdom (UK) market leader, Dairy Crest manufactures a range of everyday dairy brands including the award-winning Cathedral City cheddar, Clover spread, Country Life butter and FRiij milkshakes. The company also supplies milk to retailers, from major supermarkets to village stores, throughout the UK. Their milkmen deliver milk and dairy products to thousands of homes in England and Wales each day. Sales are in the region of £1.6 billion (USD $2.2 billion) a year.

Reducing Risk

Dairy Crest relies on its B2B e-commerce system to conduct business with more than 40 customers in the UK, including the major high-street retailers. The technical and support requirements were becoming onerous, especially as some of the major retailers increasingly began to develop their own customized supply chain implementations. This prompted Dairy Crest to re-think its B2B strategy.

The in-house approach consisted of a patchwork of internal and external resources that left Dairy Crest potentially vulnerable to unexpected outages. For example, when people left the company, they took their accumulated knowledge with them, leading to a lack of continuity. Highly specialized tasks, such as electronic data interface (EDI) mapping, were sometimes carried out by people who were not necessarily dedicated to an increasingly complex set of B2B requirements. In addition, there was a significant backlog of requests that could not be fulfilled in a timely way.

According to John Butler, Operations Manager at Dairy Crest, based on the previous model, when a problem occurs, the impact on the business can be considerable. “We are an FMCG (fast-moving consumer goods) business. Orders are coming round the clock and it is essential that we turn orders round as quickly and efficiently as possible. If we were to have one significant outage, that would be one too many. For us, the reliability of B2B has a tangible impact at the sharp end of the business,” he explains.

INDUSTRY

Dairy Products

CUSTOMER

Dairy Crest

CHALLENGES

• Tedious technical and support requirements for e-commerce
• Significant backlog of requests
• Urgency for timely order fulfillment

SOLUTION

• OpenText™ B2B Managed Services

BENEFITS

• Reduced risk and faster time to market
• Lower total cost of ownership
• Improved customer service
“Orders are coming round the clock and it is essential that we turn orders around as quickly and efficiently as possible... For us, the reliability of B2B has a tangible impact at the sharp end of the business.”

JOHN BUTLER, OPERATIONS MANAGER, DAIRY CREST

For Dairy Crest, the primary challenge was reducing risk. “Simply put, Dairy Crest was looking for a way to improve the reliability, robustness and consistency of our systems to help drive customer satisfaction to new levels,” explains Shamash Merali, Group IT Director at Dairy Crest.

**Off-Loading Complexity while Expanding Capabilities**

Dairy Crest decided on a strategy of shifting from an in-house B2B electronic trading model to one based on outsourced managed services. The plan was to find a partner to which Dairy Crest could outsource a raft of services, including development, mapping, testing, monitoring, support and, when required, the onboarding of new trading partners. The desired solution would allow Dairy Crest to off-load the increasing level of complexity in its B2B networks. Also, it was important to be able to accommodate the many operational parts of Dairy Crest’s business. For that reason, Dairy Crest began the task of identifying a business partner and engaging teams from the business, such as IT and Legal.

Dairy Crest chose OpenText B2B Managed Services because it provides hosted B2B integration capabilities in the cloud without the need to purchase or manage complex and expensive B2B gateway software.

Most importantly, B2B Managed Services includes mapping and translation capabilities. Since EDI data is fed directly into Dairy Crest’s central enterprise resource planning (ERP) system, which is a very well-established JBA application running on an AS/400, expert mapping of data structures mediate between this internal application’s format and the variety of formats and flavors preferred by external trading partners. The integrity of data is critical: once the customer orders are received, the ERP application drives the warehouse management system that determines the speed, accuracy and efficiency with which those orders are processed.

**Securing Uptime, Lowering Costs**

The key measure of success for Dairy Crest is the uptime of their B2B systems. “Our goals were to reduce risk, drive down costs and improve time to market with our customers and suppliers,” says Merali.

“With B2B Managed Services now in place, Dairy Crest is able to expand its B2B capabilities. Tasks, such as mapping, are looked after by expert staff dedicated to B2B. Customer requirements for complex and customized solutions are addressed efficiently. The backlog of requests has disappeared,” he adds.

Another benefit is the total cost of ownership (TCO) is lower, as B2B Managed Services shields the company from the increasing B2B program complexities, such as connecting new trading partners, changing map requirements, and ongoing hardware and software maintenance.

There is improved customer service and responsiveness. By connecting Dairy Crest with its customers in their preferred data format, over their preferred communications protocol, Dairy Crest further differentiates itself as more flexible and responsive.

Finally, B2B Managed Services provides an advantage by enabling Dairy Crest’s IT function to focus on what it does best—without the costs and complexities of supporting a B2B e-commerce infrastructure.