

SAP Customer Success Story Wholesale Distribution – Equipment and Supplies for the Office and IT Marketplace



"The move to mySAP ERP gave us a strong foundation for excellence in our core business functions and the support we need for our overall growth strategy as we continue to expand internationally."

Guillaume Bruyneel, CIO, Dexxon Group

AT A GLANCE

Summary

Dexxon Group, based in Paris, is a leading distributor of equipment and supplies for the office and IT marketplace. Dexxon's business covers more than 50 countries worldwide, with revenues exceeding US\$500 million. To accommodate rapid business growth, the company upgraded to the mySAP™ ERP application in less than 3 months, reaping a wealth of benefits.

Web Site

www.dexxon.com

Key Challenges

- Build a strong foundation for business growth
- Improve ability to adapt to changes quickly and address market challenges
- Increase employee productivity

Project Objectives

- Upgrade from SAP® R/3® software to the robust, flexible, and scalable mySAP ERP application to support current and future business needs
- Reduce IT total cost of ownership

Solution and Services

mySAP ERP

Why SAP Solution

- Powerful integration capabilities
- Scalable functionality supporting future business needs
- Former experience with SAP as a trusted partner

Implementation Highlights

- Successful teamwork between SAP, itelligence, and a team of 5 Dexxon IT experts
- Rapid implementation of less than 3 months, without interruption of business operations, and within budget
- Minimal training required

Key Benefits

- Lower IT costs
- Higher user productivity and satisfaction
- Enhanced insight for managers
- Flexible platform for evolving business needs
- More effective collaboration and efficient operations
- Streamlined sales and contract management
- Improved financial supply chain processes

Existing Environment

SAP R/3

Third-Party Integration

- Database: Oracle
- Hardware: HP
- Operating system: Microsoft Windows 2003

DEXXON

Leading Distributor Upgrades to mySAP™ ERP to Power Rapid Business Growth

Dexxon Group, headquartered in Paris, is a leading wholesale distributor of equipment and supplies for the office and IT marketplace offering one of the most extensive product lines for removable data storage. Dexxon began serving European customers more than 25 years ago under the name Data Media. Today Dexxon distributes its products to more than 50 countries worldwide through its five European and U.S. offices. Around 500 employees worldwide help the group generate revenues of more than US\$500 million annually.

The Beginning of a Strong Partnership

Early in 2001 Dexxon made a strategic decision to deploy an enterprise resource planning (ERP) solution to integrate and streamline its business processes – and chose the world-class SAP® R/3® software application to consolidate its back-office operations in Germany, the Netherlands, and Belgium. It implemented functionality for sales and distribution, material management, and finance and accounting to support key business processes and activities such as shipping, order tracking, supplier quotations, subcontracting, contract management, and accounting and asset management.

After several years of using the proven SAP R/3 software to run its operations, Dexxon began experiencing rapid business growth, mainly driven by acquisitions, with revenues increasing by 300% (within four years). With an expanding network of operations, it felt the need for a more powerful ERP tool to support its success. Also, because the company's maintenance agreement on the existing system was about to expire, Dexxon felt it was an opportune time to upgrade to the new mySAP™ ERP application.

A Strategic Leap Forward

An upgrade would give the company exactly what it needed: higher levels of flexibility and adaptability to manage growth more effectively and the tools to quickly address market challenges. "We operate in a highly competitive environment," says Guillaume Bruyneel, CIO of Dexxon Group. "Effective collaboration with suppliers and customers is the key to staying ahead of the competition. We needed state-of-the-art technology to help us get there."

It was also critical that the upgrade occur without disrupting daily operations and mission-critical processes.

Based on the company's positive experience with SAP software and its unwavering trust in SAP, upgrading from SAP R/3 to the latest release of the mySAP ERP application seemed a logical move – to not only ensure minimal business disruption but to also lower the total cost of ownership.

"We didn't even consider any alternatives," says Bruyneel. "We were fully convinced that the latest ERP solution from SAP would give us exactly what we needed; we were ready to make the leap forward."

Upgrade Completed at Unprecedented Speed

Dexxon kicked off the mySAP ERP upgrade project with the support of SAP and a five-person team of its own experienced IT experts. "These five people formed a competence center that was accountable for the upgrade project," comments Bruyneel.

It was a fast, smooth, and successful implementation. In less than three months, the project team completed the functional upgrade – well within the allotted time frame and budget. According to Bruyneel, there were several key success factors. "First of all," he says, "we had skilled and dedicated people working with a system that we were already familiar with. Also, we had

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Guillaume Bruyneel, CIO, Dexxon Group

not done many customizations, so for the most part we were working with a standardized ERP system. On top of that, the new upgrade tools provided by SAP worked very well and helped us make the move to mySAP ERP very quickly."

Another factor contributed significantly to the smooth transfer: Dexxon's system was outsourced to the data center at itelligence, an SAP full-service provider and the winner of the SAP Pinnacle Award in 2006 for its excellent partner services.

"By having itelligence host the system and perform services, we gained numerous benefits," says Bruyneel. "The service level has significantly increased, especially to our U.S. offices. System performance is noticeably better and issue resolution occurs within only two hours."

A Wealth of Benefits

Dexxon employees also have many reasons to be happy with the upgrade. First, the upgrade took place with minimum disruption to end users. Second, because the 400 users were familiar with how the software works, there was little need for training, and user productivity was high from the very beginning. "Some of our people didn't even realize there had been any change when the system went live," comments Bruyneel.

With mySAP ERP in place, Dexxon is enjoying various benefits. “The robust applications and technology helped improve our financial supply chain processes, enhanced visibility for our managers, and streamlined sales and contract management,” says Bruyneel. “The new mySAP ERP application also allowed us to collaborate more effectively and operate more flexibly at a lower overall IT cost of ownership.”

Another important benefit of mySAP ERP: comprehensive support for future growth. Says Bruyneel, “The move to mySAP ERP gave us a strong foundation for excellence in our core business functions and the support we need for our overall growth strategy as we continue to expand internationally.”

Upcoming Projects

Dexxon next plans to implement components from the SAP NetWeaver® platform to enable integrated strategic planning and business performance management. Also on its list: introducing the mySAP Customer Relationship Management application to strengthen the company’s after-sales services, a key area in ensuring a competitive edge. And finally, Dexxon will upgrade the SAP R/3 installation at one of its recent acquisitions (EMTEC) to mySAP ERP to achieve a fully integrated IT landscape.

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