

IFS Applications™ provides leading Polish distributor with future-proof flexibility and efficiency

Established in October 1996 as a spin-off from a larger distribution company, ESI Distribution Sp. z o.o. distributes mineral water for the Polish brand Naleczowianka and the internationally renowned Perrier, Vittel, and Valvart. With a current workforce of 120 employees in 8 branch offices throughout Poland, ESI Distribution's annual revenue of over US\$ 23 million makes it a leading distributor in the Polish market. By implementing IFS Applications, ESI has a completely integrated system to support its core operations and ensure flexibility and efficiency in the foreseeable future.

The problem

Although ESI Distribution was already using IFS Financials™, the company's entire system was not homogenous. On the one hand, there was a modern system supporting the financial operations of the company; on the other, there was a proliferation of custom-built solutions throughout the branch offices. Useful as they were, there were, however, delays in collecting data, and the level of errors was unacceptable. Standardization was essential, as was the need to get rid of time-consuming interfaces and shorten the length of time it took to produce reports. "We were well aware that our software needed sorting out, and the Y2K problem gave us additional motivation to do so," recalls Grzegorz Zarzycki, Finance and Administration Director of the company. "The old system was inadequate. The patchwork of systems we had was unwieldy and unreliable. So we decided to implement a system that would include both distribution and finance, which



covers our entire operations. We also wanted the new system to be able to support production because we were going to implement it in Naleczowianka, which belongs to the same group."

The solution

ESI appointed a group of experts to scrutinize the options presented by over 10 Polish and international vendors. Although the functionality in the different offerings was similar, the experts ultimately opted for IFS Distribution™ because the solution offered was based on leading-edge technology that none of the competitors could match.

Implementation

The implementation process followed typical IFS methodology. Two groups were established with implementation specialists from both ESI and IFS with a brief to implement the system with as few modifications as possible. Ewa Slaw, Project Manager: “Two weeks before implementation, just before the start of parallel operation, we decided to change version of IFS Applications, from 98 to 99. The transfer from character-based to graphic version created a difference in database structure and required a change in hardware.”

Jack Korczykowski, IT Manager: “The upgrade was not hard to do because our system had been customized very carefully. We purchased a version of the system that allows for concurrent use by 30 users: 20 in distribution and 10 in production. Our daily collaboration with IFS was good. Their consultants responded immediately to issues we raised. We still have a very fruitful dialogue, where we can put forward our ideas and proposals.”

Benefits

Following the integration of the system throughout the company, there is no problem with data coordination. After several months of operating the system, information is up-to-date and concise. All departments have the same standard for software and reports.

Users of the system have the added benefit of being able to access accurate sales figures at any time. ESI has two mainframe computers that store separate copies of its databases. These can be synchronized to diagnose the system, and errors that occur, with real

data. This capability is available to all users once they have learned how to handle the system and have been registered. The convenience of this system has met with a very favorable response from the users.

“From my point of view,” comments Grzegorz Zarzycki, “the operations of the finance department have improved immensely. Previously, we had to struggle to close our accounts by the 18th of the following month, whereas now we easily complete them by the 10th. Although our foreign partner does not require such a detailed report, the Polish fiscal authorities do. There are also a number of reports that we have to supply on time to our partner. Thanks to the system, we have no problem doing so. At the same time, we can be sure that our data is up to date and reliable. The system also allows us to maintain the right employment structure. This will help in the future with our reorganization strategies. I believe that IFS Applications will guarantee our flexibility for the next few years.”

Software

IFS Financials, IFS Distribution

Hardware

Database server – IBM/RS6000 F50, AIX 4.3

Database – Oracle 7.3.4.2

Central application server – Dell PowerEdge 2100, WinNT Server 4.0

Client stations – Pentium MMX or Pentium II, WinNT Workstation 4.0