



Distributor Envisions an Enterprise Unified by Microsoft Dynamics AX

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Bob Miller, Sr. VP of Finance and Logistics,
D&H

Since the days of the first color TV, D&H has provided distribution services for resellers and retailers of electronics. Established in 1918, the company has grown into a leading distributor of computer hardware and software, and other IT technologies for businesses and consumers throughout North America.

Goals

- Configure ERP to reflect unique business processes.
- Allow rapid customization and reconfiguration to meet changing business needs.
- Connect ERP to other LOB applications to allow seamless flow of data across processes, functions, and geographies.

Industry

Distribution

Country or Region

United States

Customer Size

1,200 employees

Number of Users

600 employees

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Occupying the middle ground between customers and suppliers—with manufacturers on one side, resellers and retailers on the other—distribution is a high-volume, low-margin business that demands cost efficiency. As one of North America's leading distributors of electronics and technology, D&H Distributing understands what it takes to succeed in this space.

In business for nearly 100 years, D&H has finely tuned its operations to ensure its ongoing success. But the growing business began to surpass the company's technology infrastructure needs. With an environment composed largely of custom-developed applications built on the Progress platform, company leaders were concerned that their rapid growth was outpacing the scalability of their existing systems.

Further, new CIO Dan Stuart had a vision of a unified infrastructure, with centralized data management and a full-featured enterprise resource planning (ERP) system that allowed data to flow seamlessly throughout the enterprise—something that was inefficient with the siloed applications they had built in-house.

As a first step toward enhancing its infrastructure, D&H formed an internal team to evaluate commercial ERP solutions. Representatives from both IT and major business areas focused on several key requirements:

- **Flexibility.** Business leaders were adamant that the restrictions of the software not force them to change the way they run the business.
- **Ease of customization.** In addition to configuring systems to its own unique processes, D&H needed the ability to rapidly implement solutions to meet the demands of its customers and vendors.
- **Ease of maintenance.** D&H sought a solution that it could "own" after the initial deployment, supporting and extending the solution as needed by using its in-house development team.

- **Scalability.** D&H requires systems that can handle high transaction volumes without sacrificing performance. The new ERP would have to scale to support regular seasonal peaks as well as anticipated long-term growth.
- **Ability to remain current.** Because the goal of the ERP initiative was to “future-proof” its infrastructure, D&H sought a system that would allow incremental upgrades (including customizations)—and could keep pace with upgrades to surrounding technologies.

A Truly Flexible System

After evaluating several commercial ERP systems, D&H chose Microsoft Dynamics AX 2012, implemented by Microsoft Gold Certified Partner MBS Dev. The evaluation team felt that of the three major ERP applications, only Microsoft Dynamics AX allowed the flexibility D&H needed to reflect its unique business processes and to closely model the feature sets and functionality that had existed in its custom systems.

“We have processes that we’ve developed over many years, which are very important to our success,” explains Bob Miller, Sr. VP of Finance and Logistics at D&H. “We didn’t want to be forced to adapt those processes to the methodology of our ERP vendor.”

The ability to customize, reconfigure, and extend Microsoft Dynamics AX in response to changing business needs or customer requirements—and to do so very quickly—was also a major determining factor. “Microsoft Dynamics AX will allow us to execute on both those fronts,” confirms Miller. “We can deliver the customizations we need over time, and deliver them in a rapid timeframe that benefits the business.”

Realizing the Vision of End-to-End ERP

With Microsoft Dynamics AX as its core administrative system, integrated tightly with Microsoft Dynamics CRM, SharePoint Services, Project Server, and platform technologies including SQL Server and BizTalk Server, D&H has moved closer to Stuart’s vision of a unified enterprise.

He explains, “With integrated systems, we can take data from CRM and we can pull it through to sales, to purchasing, to finance; and if we make a change in one system, the change will be reflected across the company. When all is said and done, a fully integrated system will pay dividends to the D&H organization for years and years to come.”

Miller adds, “In Microsoft Dynamics AX, we found an ERP system that was not only state-of-the-art with respect to the platform and its ability to integrate with our other technologies, but that will continue to grow with us and allow us to develop it or customize it as we’ll need to over the years. Microsoft Dynamics AX will put us in a position to take advantage of a stable, thoughtful foundation, with software that can adapt to meet every need of the business in a reasonable timeframe.”

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