

## CASE STUDY

# KENT CORPORATION CPG – Food Manufacturer

“There was a cultural fit with Alithya and Microsoft. It felt like our discussions were with someone who works for Kent instead of a 3<sup>rd</sup> party. Implementations are hard and we did not want to run into cultural differences where our team found it hard to work with our partners. Plus, we were already a Microsoft shop and wanted a fully integrated solution that would be there for the long haul.”

**Troy Fridley, SVP, Information Technology**



**Kent Corporation** is a diversified family-owned corporation headquartered in Muscatine, Iowa. Kent is comprised of operating subsidiaries involved in corn wet milling, the production of animal feed and nutrition, pet care products, and the manufacture of food and beverage products. They are the parent company of Grain Processing Corporation (GPC), Kent Nutrition Group, Inc. (KNG), Kent Precision Foods Group, Inc. (KPGF), and Kent Pet Group, Inc. (KPG) with approximately 2,000 employees doing business in the United States, Canada, and throughout the world.

Kent and Alithya have been down a long road together, starting in 2012, and Kent is still dealing with the same people at Alithya who initially sold the system to them. Beginning with the implementation of Microsoft Dynamics AX 2012, Kent has been on Alithya's customer support program for all of the years since the implementation of their first company and have recently rolled out a BI solution.

## Key Benefits

- > Consolidation of synergistic activities and reduction of redundancy
- > Capability to interface with larger and more sophisticated customers
- > Ability to grow while maintaining profitability
- > Use of a single platform to run entire enterprise
- > Low total cost of ownership – implementation and ongoing
- > Instant adoption and user adaption to UI
- > Integration with existing databases and operating systems
- > Creation of conversations that never existed between siloed functions

Prior to selecting Alithya, Kent put out a sophisticated request for proposals to Microsoft, SAP, and Oracle, in addition to looking at Infor, QAD, and other niche players that were specific to food and beverage customers. They boiled it down to Microsoft AX and Oracle E-Business and did a deep dive analysis for several weeks. Oracle was eventually eliminated due to their cultural fit and cost. As a private and family owned organization, Kent did not feel that Oracle's approach of coming in and being very directive with best practices was the right fit for them.

In addition, in terms of total cost of ownership of the implementation and ongoing licenses, training, and support, Microsoft came out the best fit for Kent.

## Comfortable with Microsoft

As Kent had grown up in Microsoft Excel, they were not afraid of the look and feel of AX 2012 from an end-user adoption perspective. Many of the other products they considered were more daunting and gave the overall feeling that they were changing business process, technology, and the user interface all at once. The overlap and synergies between having people already comfortable with the Microsoft development toolset led to the Kent team being brought up to speed very quickly, even though their technical staff did not have an AX background.

The Alithya team – who has strong industry expertise in food and beverage manufacturers - worked heavily with Kent's full team and provided a great deal of knowledge transfer, with the mindset that the Kent team should acquire as much knowledge as they could as early as possible from experts. After the first go-live, the Kent team became more and more self-sufficient and are now able to implement subsidiaries on their own.

In addition to providing strong industry expertise to the Kent team, Alithya also wrote the process manufacturing capabilities in Microsoft Dynamics 365, which showed Kent that they had the breadth of knowledge needed as the creator of the software.

## Strong Partnership

Not only did Alithya and Kent have a strong partnership which has evolved throughout years of working together, but Alithya also leveraged their relationship with Microsoft to provide necessary customizations to the AX system. Alithya brought a relationship at the executive and product management levels that allowed Kent to test beta programs, prove their benefits, and have them incorporated in new releases. Kent was able to grow and create strong connections with Microsoft, becoming a trusted partner in Microsoft's beta program. This connection gave Kent the resources they needed to stay on top of technology and meet the needs of their business. Alithya made sure that Kent was always connected with the right people at Microsoft, and they may not have had that access with another partner, as Microsoft has a level of confidence in Alithya to deliver success with customers.

## Disparate Systems

Prior to implementing AX 2012, Kent was using disparate systems. Each operating company ran on a different transaction processing system to support their individual business functions. The vision was to create core business processes as part of an overall enterprise design based on best practices to transact business for all companies on a single instance of Dynamics AX. This common platform would also allow for the creation of a shared service organization consolidating redundant transaction processing functions into one integrated system of record. To Kent, it was not about implementing an ERP system, but instead about redesigning their business processes.

From a high level perspective, they wanted to grow the company, which was a challenge on the back of multiple redundant business systems. Kent also needed to establish a robust yet flexible technology foundation to support current and future demands to effectively service their large sophisticated customers which could not be done efficiently on the old systems.

## Integrated Enterprise Design

To grow the company profitably, meet customer expectations, provide capabilities to drive efficiencies in their business, and have actionable data in real-time instead of end of month, Kent turned to AX 2012. They previously had heavily customized siloed applications which were becoming increasingly difficult and expensive to extend. Now they have a single integrated enterprise design across all lines of business enabling them to focus on process optimization, meeting new market requirements, and making better informed decisions.

They decided to name this initiative "Business Process Redesign" as the expectation was truly to take apart the organization as it was and piece those processes back together in terms of best practices within the industry. They were looking at optimizing their processes and changing their culture, not just a technology swap.

## The Start of Conversations

Kent is continuing to purchase companies and thus still implementing AX 2012, however, according to Fridley, "The most important thing – you cannot put a dollar amount to this – is that the implementation has started conversations that never existed between siloed functions. We never had visibility or insights into why processes were the way they were. Now we have Enterprise Process Owners and a Change Advisory Board governing best practices and optimization initiatives for key business processes across the enterprise. This was not feasible prior to the business process redesign efforts and standard AX platform."

## Leveraging Data

Not only did Kent choose Alithya to implement their ERP system, but they have continued to partner with Alithya in BI projects and customer support and optimization.

By leveraging Alithya's BI accelerator, Kent has been able to deliver value through data and analytics to their organization. They have received training on it and are now self-sufficient, turning to Alithya only for higher level data architecting. Kent had initially decided to wait on any analytics projects until AX was implemented in a few of their companies to see how drastically their data had changed. They felt that they could have employed internal experts to build a data warehouse from scratch, but for the cost, working utilizing the toolset from Alithya was a no brainer. Kent can now efficiently get focused data models out to key areas of the company and can envision their data from multiple perspectives, which has led to analysts asking and answering new questions.

## Benefits Realized

So far, the Kent team has seen inventory reductions within their live companies, which has freed up cash. They have also been able to make their data much more visible, including real time inventory, which has been helpful from a supply chain and production standpoint.

Another benefit has been the ability to optimize costs with regard to freight and purchasing as they have been able to form a shared services division for all companies. Previously, each company had purchasing and transportation, so they have now been able to consolidate that and better leverage their spending.

**"WE ARE NOT AN AUTONOMOUS COMPANY. WE ARE A CORPORATION WITH MULTIPLE OPERATING COMPANIES, YET WE WERE ABLE TO DO A SINGLE INSTANCE OF OUR ERP SYSTEM. THIS SHOWS THE POWER OF AX AND ITS ABILITY TO RUN OUR ENTIRE ENTERPRISE."**

Troy Fridley, SVP, Information Technology, Kent Corporation

Alithya is a leading strategy and digital technology company with over 2,000 highly skilled professionals delivering solutions across Canada, the US and Europe. Alithya's Microsoft practice covers a wide array of capabilities including Dynamics, Azure, business analytics, digital solutions, advanced analytics, application development and architecture. Focused on business outcomes, our combined companies have delivered Microsoft ERP, CRM, BI and digital solutions to over 1,200 clients. Alithya's global offering is to deliver strategy and digital technology services.