

Strategy Realized: Getting Domino Foods' House in Order

By implementing a Central Master Data Management organization, Capgemini helped Domino Foods reduce the day-to-day level of low-value transactions, allowing the company to focus on more strategic buying initiatives

The Situation

Before embarking on an enterprise-wide procurement transformation, Domino Foods and Florida Crystals Corporation (FCC), which had acquired an interest in Domino, needed to rethink the systems and processes managing their master data.

The Domino acquisition increased business process complexity at both companies. Different levels of controls, inconsistent management procedures, and multiple SAP databases thwarted their ability to execute corporate spend analysis and material planning—a first step in realizing process innovation.

The Solution

Capgemini—a single-source solutions provider—was tasked with creating the infrastructure, applying the technology and developing the

organization that would manage all corporate master data.

A separate organization called Central Master Data Management (CMDM) was created at the corporate level. All databases, including SAP, AS400/DB2 legacy systems, Excel and Access were consolidated and then scrubbed to remove duplicate records.

An integrated web-based application was developed to support all users in the organization in the request process for new material and vendor master data records. Presented through a portal, the corporate-wide solution provides considerable reporting flexibility utilizing SAP Business Warehouse (BW).

“Escalating business expectations are forcing C-level executives to take a hard look at business processes. But business process change is no longer about making individual processes faster. It’s about creating opportunities for growth and innovation that can lead to greater business value. At Domino, we turned our sights to procurement transformation to find new ways to help the company build efficiencies and create savings across the enterprise.”

Don Whittington,
CIO, Domino Foods, Inc



The Result

Reliable, centralized data breeds confidence and creates the opportunity to strategically source materials, now that spend and inventory reporting is consolidated across the enterprise and its seven production facilities.

- By extending the data outward and upward a Web Methods transaction brokering software allows collaboration with partner companies.
- A majority of materials management processes have been streamlined and simplified.
- A single version of the truth has led to procurement transformation and strategic sourcing programs.

To date 35% of the transactions coming in through SAP are going out as automatic purchase orders, with that figure expected to continue climbing. The technology solutions used include:

- SAP R/3 for automating the purchase orders
- SAP Business Warehouse (BW) module for detailed spend analysis

Procurement transformation and strategic sourcing programs—both of which are ongoing at Domino Foods—have created significant business value as buyers have shifted from location to commodity-based buying. “We’ve not only been able to drive operational savings across the enterprise, but have created a sustainable centralized procurement organization. And the beauty of having it in place means that the integration of new acquisitions such as C&H Sugar (2004) and Chr Hansen (2006) are that much easier,” notes Don Whittington, CIO, Domino Foods, Inc.

How Domino Foods and Capgemini Worked Together

Domino Foods, Inc. is one of the largest sugar marketers in the U.S. today, offering a full line of products under the Domino®, C&H®, Redpath® and Florida Crystals® brands. Business process transformation underpins a business strategy focused on increasing operational efficiency and reducing operational cost. Capgemini has been instrumental in helping Domino Foods reach these strategic goals.

The old adage “risk brings reward” found new meaning when Florida Crystals Corporation, one of the first fully integrated sugar companies in the U.S., acquired an interest in Domino Sugar. Along with the acquisition came the rare chance to significantly change business operations by forging a systematic approach to the way MRO supplies were procured across an enterprise comprised of seven facilities.

Up for grabs was a tremendous opportunity to create synergies across multiple sites and divisions in the purchasing of maintenance, repair and operations supplies across 20 different MRO categories—from cleaning and electric supplies to heavy equipment and machinery.

At the companies’ major facilities—dedicated to processing, packaging and distribution—most purchasing decisions were made at the local level. Capgemini turned the situation around by implementing a procurement transformation process that allowed Domino Foods to leverage its technology investment within SAP.

The company was able to move plant-based investment buying to a centralized location and implement an automatic purchase order process within SAP. The strategy was to reduce the day-to-day level of low-value transactions and allow the company to focus on more strategic buying initiatives.



About Capgemini and the Collaborative Business Experience

Capgemini, one of the world’s foremost providers of Consulting, Technology and Outsourcing services, has a unique way of working with its clients, called the Collaborative Business Experience.

Backed by over three decades of industry and service experience, the Collaborative Business Experience is designed to help our clients achieve better, faster, more sustainable results through seamless access to our network of world-leading technology partners and

collaboration-focused methods and tools. Through commitment to mutual success and the achievement of tangible value, we help businesses implement growth strategies, leverage technology, and thrive through the power of collaboration.

Capgemini employs over 75,000 people worldwide and reported 2006 global revenues of 7.7 billion euros.

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