

Regal Finds its Sweet Spot with JD Edwards E1 & IBM Cognos Analytics



Overview

The need

When Pierre Allard, Vice-President Finance at Regal Confections, joined the company in 2012, he immediately saw the need for a reporting tool far more advanced than the existing JD Edwards, Crystal Reports and Excel pivot tables. The candy giant required customized performance management and business intelligence reporting capable of analyzing and forecasting over a hundred key metrics to show true net sales.

The solution

Regal Confections implemented a customized suite of IBM® Cognos Analytics software and NewIntelligence's proprietary ICI software to not only meet Regal's existing needs, but also keep up with the company's ever-evolving environment.

The benefit

Easily accessible and accurate data from coast to coast. User-friendly, company-wide analytics allows the Regal team to spend less time manually running reports (and debating their accuracy), and more time focusing on analyzing the breakdown of true net sales data.

Founded in Montreal in 1962, Regal Confections began as an importer of European confectionery, and quickly grew by adding packaging, marketing and product development divisions. After nearly five decades of confectionery market leadership, Regal Confections evolved as the exclusive distributor of some of the industry's most prestigious brands. The company has over 250 employees dedicated to the success and growth of the business. Operating four distribution centers, the company's customer base consists of food retailers, wholesalers and national chains.

Challenge: Inconsistent, Manual Reports

The key to streamlining the BI reporting process lies in the ability to quickly and easily filter through specific data criteria to obtain detailed information. Equally important is the ability to reuse pre-built reporting templates.

Regal's existing out-of-the-box reporting system, built on JD Edwards' Crystal Reports, failed to provide the customization options required to account for the hundreds of unique metrics vitally important to Regal's true net sales. With limited capabilities, Allard was forced to download all the JDE sales transactions to Excel and build complicated pivot tables. Worse, the data was only accessible by Allard, making it difficult and time consuming to share data company-wide.

"Using JDE was really complicated," said Allard, "a lot of waiting time, a lot of information to feed every time we do a report." According to Allard, the existing analytics lacked the ability to save previously run reports for future

reuse. This meant that each Regal location across Canada would have to enter the criteria manually every time information was needed, which led to inconsistent sales data coast-to-coast.

"The complexity of analysis and reporting is both onerous and complicated for JDE users," said Corey Mendelsohn, President of NewIntelligence, "even when they have a multitude of in-house options available to them like Crystal reports or other JDE applications." According to Mendelsohn, reporting in the JDE environment is both difficult and challenging, "especially when you require data that comes from outside sources. NewIntelligence ICI in collaboration with IBM Cognos make your JDE system come to life and help make your investment worthwhile."

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President, NewIntelligence

Customizations Inside NewIntelligence's ICI Solution

The NewIntelligence ICI solution can reduce Cognos maintenance and administration tasks, and can help accelerate Cognos implementations and reduce reliance on skilled technical staff. Regal's customizations inside ICI included:

1 Seasonal Calendar

This feature allowed Regal to reduce a lot of manual reporting, which was previously being handled inside Excel spreadsheets with pivot tables. It allowed them to leverage category groupings inside of JDE by classifying them with start and end dates. It provided them the ability to look at products by season (Halloween 2016 vs Halloween 2017, for example). "Some of these products are classified as Halloween only at a certain period of the year, while during other parts of the year, some become base products," said Mendelsohn. ICI customizations allowed Regal to create the different seasons with specific time frames, forcing sales transactions to be tagged as Halloween 2017 during the predetermined time periods. This can be done

for any season, Christmas, Easter, Thanksgiving, and so on.

2 Field Security

Within ICI, this allowed Regal to control each user's access to certain areas of Cognos. According to Mendelsohn, "We could control access by Season, by Item Class, by Region and Territory." Depending on the user's access, when a report is created in Cognos, they can see only what they are allowed to see—saving Regal from having to create multiple iterations of the same report for specific users.

3 Measure Grouping

This addition is especially key for the advanced pricing module that NewIntelligence leverages in its solution. Regal required approximately 120 metrics to be analyzed. The addition of Measure Grouping inside of ICI allows users to easily manage which measures are grouped to which measure group. "For example, Annual Volume Rebates, Cash Discounts, Commissions, Freight, Markdowns, Off Invoice, Other Trade Spending and Royalties all get controlled inside of ICI to determine how they would roll up," explained Mendelsohn. "So for the 20 Annual Volume Rebate measures, it is within ICI that they get assigned to the Annual Volume Rebate measure

group. As the business evolves, additional pricing rules can get added, which can then be easily controlled by Regal through this new interface."

Uncovering True Net Sales

Before NewIntelligence stepped in with user-friendly reporting, and budgeting and forecasting applications, Regal was only able to report on the most basic metrics, such as quantity, price, cost and margin.

"The big problem" said Mendelsohn, "was that their previous reports did not include any metrics that leveraged JDE Advanced Pricing." A concept very important to Regal, advanced pricing takes into consideration data related to volume rebates, cash discounts, markdowns, commissions and other price reductions. Advanced Pricing is a key component of JDE that the Crystal Reporting solution did not leverage.

"When you sell candy to a large pharmaceutical retailer or big brand grocery store, there are lots of pricing rules that come into play," said Mendelsohn. Before implementing the new reporting software, Allard was forced to collect all the pricing

rules, accumulate them and give one big credit at the end of the year. "So, when Regal reviewed their sales reporting, it wasn't an accurate reflection within the period that the pricing rules or discounts got applied," said Mendelsohn.

First, NewIntelligence implemented BI, which is the reporting and dashboarding part of Cognos, followed by PM, which is the budgeting and planning aspect of the Cognos solution, giving Regal the ability to:

- Quickly and easily input budgets & forecasts down to their preferred level of granularity
- Perform 'what-if' scenarios (i.e., what's the impact of increasing my forecasted Cost of Goods and how does that impact our overall budgeting for the remaining periods?)
- Compare actuals metrics vs budget/forecast metrics – side-by-side – easily by year, period, item, season, and customer

At Allard's request, NewIntelligence began with sales reporting, then integrated their old system of data pre-JDE and brought that into Cognos. The NI team then moved on to Budgets and Forecasts, then Open Orders,

Solution Components

Software

- IBM Planning Analytics Express V2.0 (formerly IBM Cognos Express)
 - IBM Cognos Analytics + Planning Analytics
- NewIntelligence ICI
- JD Edwards

IBM Business Partner

- NewIntelligence

then Warehouse Analytics. "Most recently, we integrated their latest acquisition of Euro Excellence," said Mendelsohn, "which by fluke, was running SAP B1." Over the course of two weeks, NI took the data from SAP B1 (the other ERP for which NI built a Quick Start solution) and brought it into the data warehouse of Regal so they could analyze all Sales between both companies.

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Accurate reporting coast-to-coast

After the first iteration of the new Cognos system was successfully implemented, Allard personally trained between upward of 40 users in person across Canada. "I did the training myself, and it was so easy, it was user friendly, the people caught on very quickly," he said.

To Allard, Cognos is more than just a tool. "I used the opportunity to revisit the way to look at the figures, and that's probably where we have the best gain using Cognos," he said, "because all of a sudden people start to see their sales results in the same manner from the Maritimes to BC. And we're able to improve our results because of that."

Allard also said that previously the way actual product cost was calculated was "An amalgamation of everything and nothing." Today, the new Cognos build gives Regal the ability to put each unique discount in its proper category. "By looking at that, we can ask ourselves 'what can I do to decrease that discount?'" said Allard. "Every one of our customers reinvents their discounts year after year, which means there

are hundreds of variations to analyze."

Now that Regal can reproduce the data everywhere, across the country, employees no longer waste time disputing the figures – everyone now sees the same data. Allard said, "In the past it was complicated, now if somebody in BC runs a report and somebody in Montreal runs a report, they get the same numbers."

How Sweet It Is

The entire Regal project took six months, from January to June, coming in on time and on budget. Pleased with the results, Allard continues to work closely with NewIntelligence to update the reporting functions as the company's needs evolve. According to Mendelsohn, "It's a work in progress. We're always adding new functionality and new capability throughout the company."

Allard feels the tool was very well accepted by the Regal team, stating, "It is comprehensive, user friendly and reliable. The quality of the information and the accuracy of the information is perfect."

JD Edwards E1 Quick Start

Through the Regal experience, NewIntelligence developed the JDE E1 Quick Start analytics solution.

Now, JDE Enterprise One users facing similar reporting challenges and complicated analytics demands can take advantage of NewIntelligence's JDE E1 Quick Start solution. In as little as 2-3 weeks' time, business professionals can quickly and easily learn how to generate customized reports that can take into account hundreds of granular metrics unique to their business, adding new functionality and new capability throughout the company.

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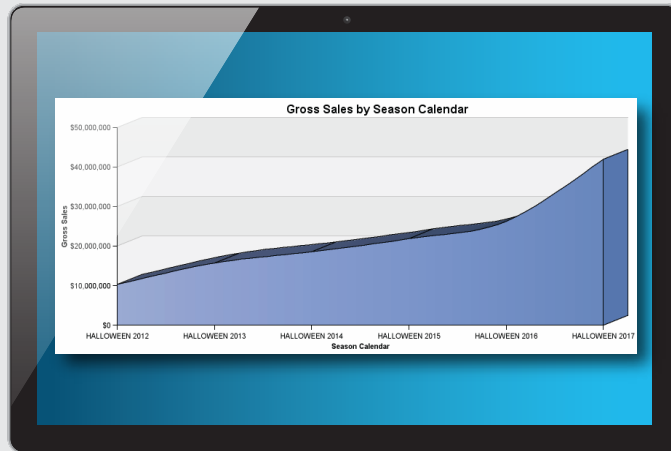
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- Pierre Allard, Vice-President Finance, Regal Confections

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After I had a conversation with Corey to let him know what I was not getting from my current situation, it didn't take long for NewIntelligence to build our new solution for us. Within a month or a month and a half, we were ready to go. They were really quick!

- Pierre Allard, Vice-President Finance, Regal Confections



The screenshot shows the 'Season Calendar Master' application window. It includes a search bar, a table of records, and a configuration section for the selected record (HALL17).

Season Calendar Cd	Season Calendar Desc	Season Desc	Season Year	Primary Season Start	Primary Season End	Second Season Start	Second Season End	Grace Period
HALL13	HALLOWE...	HAL - Hallo...	2013	12/1/2012	11/30/2013	6/1/2013	10/31/2013	30
HALL14	HALLOWE...	HAL - Hallo...	2014	12/1/2013	11/30/2014	6/1/2014	10/31/2014	30
HALL15	HALLOWE...	HAL - Hallo...	2015	12/1/2014	11/30/2015	6/1/2015	10/31/2015	30
HALL16	HALLOWE...	HAL - Hallo...	2016	12/1/2015	11/30/2016	6/1/2016	10/31/2016	30
HALL17	HALLOWE...	HAL - Hallo...	2017	12/1/2016	11/30/2017	6/1/2017	10/31/2017	30
HALL18	HALLOWE...	HAL - Hallo...	2018	12/1/2017	11/30/2018	6/1/2018	10/31/2018	30

Actual Selection

Season Calendar Cd: HALL17
 Season Calendar Desc: HALLOWEEN 2017
 Season: HAL - Halloween
 Season Year: 2017
 Primary Season Start: 2016-12-01
 Primary Season End: 2017-11-30
 Second Season Start: 2017-06-01
 Second Season End: 2017-10-31
 Grace Period (# of days): 30

