



National DCP: Accelerating Business Transformation with a Comprehensive Technology Platform from SAP

Founded following the merger of five regional companies, National DCP LLC, the US\$2 billion supply chain management cooperative serving the franchisees of Dunkin' Donuts, needed to unify its dissimilar processes and infrastructure to optimize profitability. With SAP® solutions now in place, National DCP has a strong foundation to support Dunkin's aggressive growth strategy.

Executive overview

Company

National DCP LLC

Headquarters

Duluth, Georgia

Industry

Wholesale distribution

Products and Services

Sourcing, purchasing, distribution, and business services to support Dunkin' Donuts franchisees

Employees

1,700

Annual Sourcing

US\$2 billion

Web Site

www.nationaldcp.com

Partner

Deloitte Consulting
www.deloitte.com/sap



BUSINESS TRANSFORMATION

Objectives

- Build a sustainable supply chain to support aggressive growth in new geographies
- Provide relevant, customized service to a diverse customer base
- Unify disparate systems to simplify business operations

Resolution

- Deployed SAP® Business Suite powered by SAP HANA® in a private cloud, the SAP Cloud for Service solution, and solutions from Ariba, an SAP company
- Selected Deloitte Consulting to simplify the core technology transformation and accelerate speed to value

Benefits

- Integrated solution that streamlines data analysis and offers a clear view of the supply chain and customer profiles
- Simplified IT support that improves monitoring and maintenance
- Centralized operations that facilitate best practices and consistent customer experiences
- Improved supply chain efficiencies to help franchisees grow their bottom lines

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“With mostly eastern U.S. locations, there is plenty of potential for us to grow in parallel with our expansion into the western states. Our technology investments help enable that growth.”

Darrell Riekema, CIO, National DCP LLC

10-month

Implementation, completed ahead of schedule

Seamless

Customer experience

Simpler

IT monitoring and maintenance

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Future plans

Enabling and managing growth through innovative technology

As the exclusive supply chain management company serving more than 8,900 Dunkin' Donuts locations, National DCP LLC sources, purchases, and distributes 100 million pounds of coffee, 112 million pounds of sugar, and 24 million gallons of milk annually to franchise operators.

National DCP was formed in 2012 following the successful merger of five different operating companies to support Dunkin's growth and expansion plans. Dissimilar processes, outdated technology, and legacy systems challenged the newly formed company to operate effectively and deliver efficiencies to its customers.

With a strong market presence in the eastern United States, Dunkin' Donuts has an aggressive growth plan to expand its fast-service restaurants into new regions. To support this growth, National DCP determined it would be critical to establish one standard, integrated technology environment.

National DCP selected SAP® software as its core technology platform, allowing the company to utilize an enterprise-wide solution that aligns business processes with business objectives to maximize supply chain efficiencies.

“Meeting each customer's needs added complexity in our business. SAP software simplifies our operations so we can keep delivering customized services and offer more value to franchisees.”

Darrell Riekema, CIO, National DCP LLC



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Teaming up to simplify processes and speed up time to value

Streamlining operations and achieving scale were challenging goals for National DCP because it serves a diverse base of franchisees. While some franchisees own one or two Dunkin' Donuts properties, others own hundreds of locations. There are also differences in how each franchisee manages its operations and, consequently, how National DCP must personalize service to add value. In addition, National DCP faced supply chain and inventory management complexity due to differences in product performance among geographies and the need to support regional promotions. Faced with all of this, the company decided it was time to make a fresh start.

National DCP determined that a unified technology environment capable of being implemented out of the box would enable the company to help make Dunkin' Donuts' expansion strategy a reality. A common platform would simplify procurement

and sourcing operations, standardize processes, enforce best practices, and improve customer service levels. National DCP chose SAP as its core technology provider to drive the transformation.

"We selected Deloitte as our implementation partner," says National DCP's CIO, Darrell Riekema. "The value Deloitte brought to our SAP deployment was a tried-and-true practice around implementation, change management, and program communications. These were critical to a successful rollout and ensured our employees were on board with these changes."

Guided by Deloitte Consulting, National DCP deployed SAP Business Suite powered by SAP HANA® in a private cloud, along with the SAP Cloud for Service solution and solutions from Ariba, an SAP company. National DCP completed the full-scale technology refresh in 10 months.



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Delighting Dunkin' Donuts franchisees with higher efficiency

The foundation of National DCP's technology road map is SAP Business Suite powered by SAP HANA. The cloud-based solution offers a flexible, reliable, and scalable infrastructure that's simple for National DCP's IT team to run and maintain.

The overarching benefit from SAP Cloud for Service is streamlined processes that provide satisfying customer experiences. Now, when a Dunkin' Donuts store manager contacts National DCP, call center agents automatically have franchise information, including incident history and preferences. With information immediately at hand, call times and recurring incidents have been reduced and customers enjoy a high-touch experience.

Previously, sourcing and procurement were manual, time-intensive processes for National DCP. It was a

top priority for the company to cultivate a sustainable supply chain that would make it economical to keep up with volume demands. Deployed with the initial implementation, Ariba solutions give National DCP the metrics, tools, and visibility to manage inventories, better negotiate with suppliers, and pass along savings to franchisees.

Regardless of system or solution, National DCP was able to tie everything together through the SAP software integration layer. As a result, the solutions are tightly linked, have fewer interfaces, and have streamlined data flows. With complete visibility across the supply chain and one customer-record management system, National DCP is enjoying a simpler approach to its business.

“Our business transformation touches every employee and customer. SAP Business Suite powered by SAP HANA is the foundation we're building on to realize the growth potential that lies ahead.”

Darrell Riekens, CIO, National DCP LLC



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Analyzing data to anticipate customer needs

The future for National DCP is sweet. Maximizing the capabilities of its SAP solutions is integral to pursuing the business opportunities that lie ahead. Using the SAP HANA platform for data processing, the company looks forward to gaining new insights from advanced analytics. This will provide deeper customer understanding and guide National DCP with improved forecasting. By looking at the past performance of promotions across locations, as well as factoring in a wealth of additional data, National DCP will know the right products to have in inventory in the right markets at the right time.



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