

New Viet Dairy (Case Study)

Food Service Distributor Enhances Expiration



“By enabling First Expired, First Out handling, Microsoft Dynamics helps to ensure a smooth order to delivery process. It also reduces waste and minimizes the stocking of expired inventory. It has also helped us optimize warehouse space and better manage how products are being rotated and stored in our dry, chilled or frozen sections across multiple sites and multiple zones of temperature.”

-- Mr. Didier Lachize, General Manager, New Viet Dairy

New Viet Dairy is a leading player in the dairy and food industry in Vietnam. Established in Ho Chi Minh City, Vietnam in 1997, New Viet Dairy offers a wide range of dairy and food products including foodservice cheese, Italian fine foods, meat and French fries etc. to the food and hospitality industries in Vietnam.

To support its impending growth, New Viet Dairy wanted to integrate its operations with an Enterprise Resource Planning (ERP) solution. It also needed item tracking and expiration management capabilities to better manage its range of dry, chilled and frozen produce.

Microsoft Dynamics™ NAV allows New Viet Dairy to improve its warehouse management and inventory control. The company also gains the capabilities to meet Vietnamese accounting and tax legislative requirements. Increased management control and visibility enables more informed and faster decision making.



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- Mr. Didier Lachize, General Manager of New Viet Dairy

Established in Ho Chi Minh City, Vietnam in 1997, New Viet Dairy is the exclusive distributor of dairy and food products in Vietnam for several global players in the food industry. These include Fonterra Cooperative Group Ltd from New Zealand, the world's largest dairy product supplier. New Viet Dairy offers a varied range of dairy and food products including dairy ingredients for food industries such as cheese, milk fat and cream, milk powder and whey; foodservice cheese from all regions of the world ranging from France to Uruguay; foodservice milk cream and butter; Italian fine foods including olive oil and premium pasta; retail cheese, meat and French fries. The company achieved a 2007 turnover of US\$ 30 million.



A leading player in the dairy and food service, New Viet Dairy aims to be the "first choice suppliers of all food users in the country". Their market leadership is evidenced by the numerous accolades they have received from the Official Agencies and the Government of Vietnam, including recognition awards and certificates by the Tax, Customs and Labor Departments. In 2005, New Viet Dairy was one of the top 100 corporations in Vietnam to receive the National Recognition Award from the Ministry of Finance. Its dedication to quality management organization and systems was also recognized by the Bureau Veritas, who awarded New Viet Dairy the ISO and HACCP certificates in November 2007.

As one of the fastest growing sectors in Vietnam's packaged food industry, the dairy sector in Vietnam is experiencing an annual growth of 25 percent¹, forecasted to reach a market size of approximately VND9560.7 billion by 2010². To meet the demands of fast-changing consumer preferences, dairy and food distributors like New Viet Dairy face constant pressures to cut costs, improve supply chain efficiencies and enhance warehouse management of its varied range of dry, chilled and frozen produce.

To sharpen its competitive edge in the fast-growing and competitive marketplace, the New Viet Dairy management saw the importance of adopting a quality Enterprise Resource Planning (ERP) system to support its impending business growth. A review of its existing system also revealed the need for an efficient warehouse management tool to better handle its mix of perishable and non-perishable produce. It also required item tracking management capabilities to enhance the expiration management of its products.

According to Mr. Didier Lachize, General Manager, New Viet Dairy, some of the key selection criteria used during its evaluation included cost-effectiveness, scope of functionalities, support and ease of customization.

He explained, "Due to the unique requirements of the Vietnamese accounting system and tax-related legislation, our key criterion is to find a solution that not only supports the Vietnamese local language, but is also easily customizable to meet these requirements. The other key factor is the availability of on-site expertise to provide customization, development and maintenance support."

After a thorough evaluation, New Viet Dairy selected Microsoft Dynamics™ NAV. Mr. Lachize said, "During our evaluation, we were surprised to find very few products that could support the Vietnamese language natively. The Microsoft Dynamics support for the Vietnamese language and accounting standards places the Microsoft solution in a class of its own. As other growing businesses in similar industries in Vietnam have also chosen Microsoft Dynamics, it is a proven solution and further seals our decision."

Looking for an experienced Microsoft partner to handle its implementation, Mr. Lachize explains the choice of NETiKA Business Solution Vietnam, a Microsoft Certified Partner. "The NETiKA team's extensive experience in the pharmaceutical and animal feed industry assured us of their ability to meet our day-to-day demands. During the implementation, the NETiKA team worked well with our internal project team to understand our business needs and quickly overcome any issues that arose during the implementation," said Mr. Lachize.



New Viet Dairy implemented the Financial Management, Fixed Assets, Sales, Purchasing and Warehouse Management Systems modules from Microsoft Dynamics NAV.

The implementation took seven months and the new system went live in February 2005.

Mr. Lachize shared their implementation experience, "During the implementation, we realized that we needed a lot less customization than we originally thought was required. Microsoft Dynamics already comes with comprehensive out-of-the-box functionalities that can meet our needs. We discovered that the product is as good as an off-the-shelf solution, requiring minimal customization. It is also very easy to use and implement."

Conclusion



“ The NETiKA team’s extensive experience in the pharmaceutical and animal-feed industry assured us of their ability to meet our day-to-day demands. During the implementation, the NETiKA team worked well with our internal project team to understand our business needs and quickly overcome any issues that arose during the implementation. ”

- **Mr. Didier Lachize General Manager New Viet Dai**



ITA Corporation
2401 Research Blvd
Suite 300
Rockville, MD 20850
(301) 948-4471
(301) 948-9639 (f)
www.itaco.com

Organization Profile

New Viet Dairy is a major player in the distribution of dairy and food products for the food and hospitality industries in Vietnam. Founded in Ho Chi Minh City in 1997, the company received the ISO and HACCP certifications in 007.

Business Situation

New Viet Dairy wanted to increase business agility and enhance growth with an integrated enterprise resource planning system. It also needed item tracking and expiration date management capabilities to better handle its range of dry, chilled and frozen produce.

Solution

New Viet Dairy implemented Microsoft Dynamics™ NAV to integrate its accounting, sales, and purchasing and warehouse management operations.

Benefits

- Enhanced warehouse management
- Improved inventory control
- Increased management control
- Enabled adherence to Vietnamese legislative requirements
- Increased management visibility

Software and Services

Microsoft Dynamics NAV

Vertical Industries

Food Service Industry

