



## Overview

**Country or Region:** Italy

**Industry:** Manufacturing

### Customer Profile

Dellas designs, manufactures, and markets worldwide a comprehensive line of diamond-layered blades and other cutting tools for a great variety of materials and industries.

### Business Situation

The company wanted to simplify its global business, provide a better experience to customers and resellers, and fully embrace lean business practices in all aspects of the operation.

### Solution

With help from MHT, Dellas implemented Microsoft Dynamics AX 2012 as an upgrade to the previous version of the solution.

### Benefits

- Simplify the work environment
- Enhance customer and reseller engagement
- Streamline global business
- Manage a lean operation
- Boost executive insight and control

## Leading Manufacturer of Cutting Tools Simplifies Management of Global Operations

“With the help of Microsoft Dynamics AX 2012, we can follow our customers across the globe in the most efficient way possible.”

Daniele Ferrari, CEO, Dellas

Dellas, a global manufacturer and distributor of diamond cutting tools, wanted to fully adopt lean manufacturing, accelerate global growth, and provide customers with a streamlined way to engage. The company, which used Microsoft Dynamics AX 2009 as its ERP system, realized that Microsoft Dynamics AX 2012 would provide all the additional capabilities it sought. Working with Microsoft partner MHT, Dellas implemented Microsoft Dynamics AX 2012 at its headquarters before taking the solution to subsidiaries worldwide. Dellas now can complete its transformation for lean manufacturing, streamline worldwide business with globally shared data and transactions, and offer customers and resellers access to the product configurator through a web portal. Employees find their work much simpler, and executives gain advanced methods to direct the company in the most profitable way.



“Microsoft Dynamics AX 2012 is a surprisingly simple tool to help manage our worldwide business. We can easily review, for example, the financial events and inventory at our subsidiaries around the globe, quickly respond to requests from them, and centrally coordinate logistics.”

Daniele Ferrari, CEO, Dellas

Daniele Ferrari is the CEO of Dellas, a manufacturer and distributor of diamond cutting tools.

## Situation

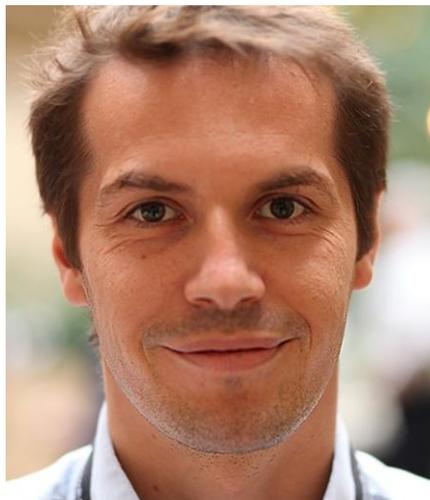
From its headquarters in Valpantena, near Verona, Italy, [Dellas](#) produces and markets diamond-hardened blades for cutting marble, granite, and other materials and delivers cutting tools for ceramics, the building trades, and special applications. Dellas, founded in 1973, initially served the Italian market but found that many customers eventually moved to the regions where they could economically source raw materials such as marble and granite. Today, following the movement of globalized customer companies, Dellas serves customers worldwide through 35 subsidiaries and distributors in many different countries, including Brazil, China, Ethiopia, India, Spain, Thailand, and Turkey. The company performs to the highest possible levels of quality for its products and processes and maintains ISO-9001 certification.

Dellas implemented [Microsoft Dynamics AX 2009](#) as the company’s enterprise resource planning (ERP) system to give the business a single, flexible infrastructure that would support the company’s growth. All company operations, including

manufacturing, financial management, order management, and procurement, run on the ERP system. From the shop floor to the executive suite, Dellas employees comfortably use Microsoft Dynamics AX.

As an innovative, fast-growing company with exacting quality standards, Dellas managers always sought to use their ERP system more effectively and obtain greater value from the company’s technology investment. In addition, the company’s strategy for the next three years called for establishing its reseller channel in four important, new markets: Brazil, China, India, and Sub-Saharan Africa. In these markets, Dellas hoped to replicate its lean organization with its global organizational model. In following this strategy, Dellas managers looked for the ERP system to support three critical areas:

- **Lean manufacturing.** Dellas had already, to a high degree, adjusted its manufacturing processes to lean-manufacturing practices but wanted to use Microsoft Dynamics AX more extensively to support this endeavor in a globally consistent manner.
- **Global information management.** The company’s global growth required more versatility in managing items and data among subsidiaries and across the entire organization, for example, to reflect different types of product transfers from the headquarters to local subsidiaries. Dellas also wanted to bring about the closest possible alignment between its lean organization and the structure of its global operation.
- **Product configurator.** Employees made frequent use of the solution’s product configurator, and Dellas was looking for a way to make it available to customers and resellers through the company’s website to help streamline production planning and boost service levels.



Daniele Ferrari, CEO of Dellas, explains, "Microsoft Dynamics AX 2009 served us extremely well, so we wanted to take the next steps in aligning the technology with our business. We also wanted to enhance our forecasting capabilities to enable more reliable and advantageous purchasing and long-term planning, especially in managing raw-material contracts that run for a year or longer. Even with our extensive use of the ERP system, some managers were still performing certain calculations outside of the system. It was time to bring it all together."

Ferrari and the Dellas leadership team were well aware of the capabilities of competing products, but they felt it was in the company's best interest to continue with Microsoft Dynamics AX.

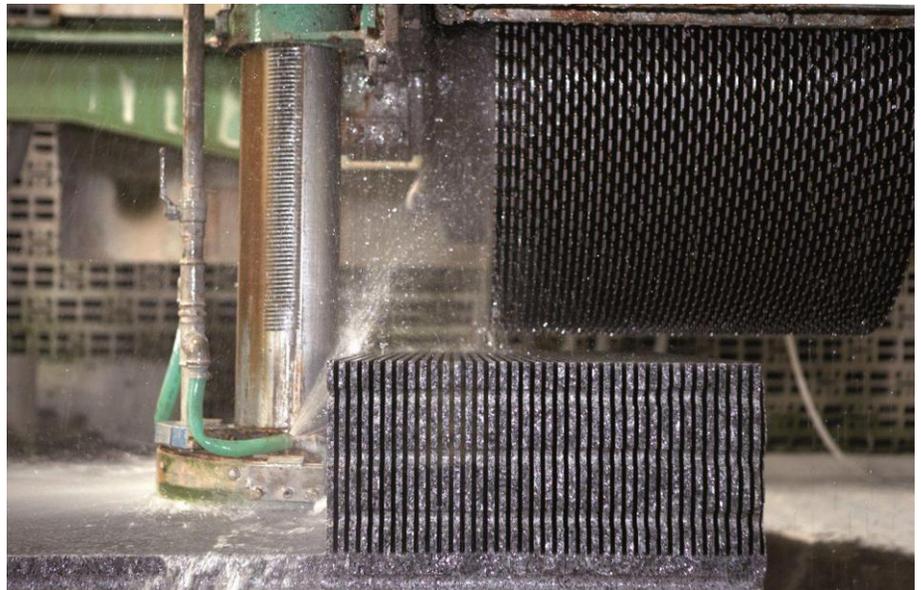
### Solution

When Dellas became aware of the imminent availability of a new version of the ERP system, [Microsoft Dynamics AX 2012](#), it decided to join the Microsoft

Technical Adoption Program (TAP) together with its technology provider, Microsoft partner [MHT](#). MHT had already supported Dellas in its successful implementation of the solution's earlier version and was highly familiar with the company's goals and requirements. Says Ferrari, "We became very excited when we heard about the lean-manufacturing module in Microsoft Dynamics AX 2012, because it had the potential of keeping workflows simple. Some other systems support lean manufacturing but are extremely complicated to administrate and use, which really contradicts the idea of lean. We did not want that. We also understood that Microsoft Dynamics AX 2012 would deliver what we were looking for in terms of global item management and the product configurator."

As an early adopter, Dellas gained advanced insight into the solution's capabilities and could plan how to take best advantage of them. The company implemented Microsoft Dynamics AX 2012

Dellas products include diamond-hardened cutting blades for marble.



at its headquarters, where close to 30 employees use the solution, initially in parallel with Microsoft Dynamics AX 2009. By the end of 2011, the same instance of the new ERP system will be available to the company's subsidiaries in Spain, Turkey, Ethiopia, and China, with other locations joining in 2012. "The main language in the solution will be English, but we will use localized capabilities in those subsidiaries where employees might find it difficult to interact with the system in that language," says Ferrari.

At Dallas headquarters, all key users of the solution were involved in planning and testing. Says Ferrari, "The CFO, the COO, myself as the CEO, and other managers helped prepare the implementation and worked with the new version of Microsoft Dynamics AX as soon as we could. We wanted to set a good example for employee adoption and be able to help employees become comfortable quickly with the new ERP system."

In readying the implementation, MHT set up more than 100 configurations for the product builder in Microsoft Dynamics AX 2012. MHT consultants also performed the required integrations with Dellas's other business systems. Microsoft Dynamics AX 2012 integrates with the production machinery such as automatic scales, cold presses, sintering machines, and a laser printing machine. That means the ERP system can automatically calculate and post the details pertaining to the materials consumption of production orders. In addition, the solution integrates with Microsoft Office, making it easy to review and analyze data in Microsoft Excel or to include customer or financial details in documents created in Microsoft Word.

For Dellas, TAP participation and the implementation of the new ERP system

resulted in a positive experience. "It was amazing to see how Microsoft technologists worked to ready Microsoft Dynamics AX 2012 for customers," Ferrari comments. "It was equally as eye-opening as to see how our implementation partner, MHT, engaged with us to complete the project on time and within our budget. We can't thank MHT enough for making this possible."

## Benefits

By upgrading to Microsoft Dynamics AX 2012, Dellas has gained the ability to keep its global momentum going, completely transform the operation for lean management standards, and take greater control of the company's future. For all users of the solution, working with the ERP system has become simpler and more productive. Ferrari points out, "With the help of Microsoft Dynamics AX 2012, we can follow our customers across the globe in the most efficient way possible. What's more, we can pursue our goals with more powerful management tools and provide a more immediate, enjoyable customer experience."

## Simplify the Work Environment

At Dellas, Microsoft Dynamics AX 2012 has found enthusiastic adoption from employees in all business roles who quickly became familiar with navigating the ERP system's updated graphical user interface. As Ferrari reports, "Starting with the go-live day of the solution, my colleagues and employees pointed out that the user interface is extremely well designed. Microsoft Dynamics AX 2012 actually simplifies our lives, because it's even more intuitive than the previous version and we can get to information faster. I had not expected this, and it was a very welcome surprise."

Specialized granite cutting tools from Dellas also have a diamond edge.



#### **Enhance Customer and Reseller Engagement**

One of Dellas's critical goals in implementing Microsoft Dynamics AX 2012 was to enhance the experience of customers and resellers with the company. By using the product configurator in Microsoft Dynamics AX 2012, Dellas's customers and resellers have access to the solution through a web portal, where they can define the specifications of diamond cutting tools and other Dellas offerings. Information that Dellas collects through the portal will help the company better understand customer requirements and strategize practical responses to emerging customer needs. "With Microsoft Dynamics AX 2012, we make it easier for our customers to engage with us," says Ferrari. "Feedback tells us they enjoy the simplicity and control they have with the product configurator through the portal. Masking any unproductive complications, the

solution provides customers with a pleasant, streamlined interaction."

#### **Streamline Global Business**

With Microsoft Dynamics AX 2012, Dellas can rely on a single instance of the solution to manage its business worldwide and maintain firm control of business activities in the many countries where the company has a presence. As the company enters Brazil, India, China, and Sub-Saharan Africa, it relies on Microsoft Dynamics AX 2012 to help extend its lean organization and global operational model in a consistent manner. "Microsoft Dynamics AX 2012 is a surprisingly simple tool to help manage our worldwide business," states Ferrari. "We can easily review the financial events and inventory at our subsidiaries around the globe, quickly respond to requests from them, and centrally coordinate logistics. By using Microsoft Dynamics 2012 in this way, we can, for example, automatically generate intercompany orders from our subsidiaries for the main production site in Valpantena and replenish the subsidiaries' stock to avoid outages."

An important enabler in the company's international business is global item management in Microsoft Dynamics AX 2012. By taking advantage of global item management, Dellas can efficiently manage the various types of product transfers between headquarters and the global subsidiaries, and among the subsidiaries. Says Ferrari, "We can now conveniently share the same items in the ERP system instead of replicating them. It has become significantly easier to manage items at a global level and get our job done faster."

#### **Manage a Lean Operation**

Having evolved toward a lean-manufacturing operation during recent years, Dellas is now able to manage its business with an ERP system that fully

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Daniele Ferrari, CEO, Dellas

reflects lean standards. “By using Microsoft Dynamics AX 2012, we have a streamlined, error-proof way to set up lean as a simple and successful operation,” says Ferrari. With the exception of the enhanced user interface, shop-floor employees work with the new solution much like they did with its predecessor. Company managers, however, have the tools to be more effective. “On the shop floor, workers are following easy, intuitive steps in using the solution,” Ferrari explains. “Behind the scenes, we have all the information we need to run a lean company and operate much more efficiently. Without adding complications to workers’ busy days, we can improve the way the business works. In addition, we can forecast more reliably, negotiate more advantageous procurement terms for raw materials, achieve better contract terms, and time the delivery of goods better.”

#### **Boost Executive Insight and Control**

For Dellas executives and strategists, the new ERP system makes it easier to understand what happens in the company’s complex operations and set the best direction. Says Ferrari, “With Microsoft Dynamics AX 2012, we have a better view of where the business is going and where we need to be.”

With advanced reporting tools and all pertinent information in one centralized resource, Dellas executives today can easily perform all their calculations and business analysis from within Microsoft Dynamics AX 2012. “We can use reporting dimensions in even more ways than we had available before, perform more reliable and meaningful cost analysis, and truly understand and control how costs spread throughout the company,” says Ferrari.

#### **Additional Resources**

- [Find out how you can acquire Microsoft Dynamics solutions.](#)
- [Learn about Microsoft Dynamics AX in manufacturing industries.](#)
- [Review MHT’s success story about the ERP project with Dellas.](#)

## For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers in the United States and Canada who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to:

[www.microsoft.com](http://www.microsoft.com)

For more information about Dellas products and services, call 011 (39) 045 8801522 or visit the website at:

[www.dellas.it](http://www.dellas.it)

For more information about MHT products and services, call 011 (39) 800 278 078 or visit the website at:

[www.mhtnet.it](http://www.mhtnet.it)

## Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to:

[www.microsoft.com/dynamics](http://www.microsoft.com/dynamics)

### Software and Services

- Microsoft Dynamics
  - Microsoft Dynamics AX 2012
- Microsoft Office
  - Microsoft Excel
  - Microsoft Word

### Partners

- MHT