

Frederick Wildman Develops Action Plan to Fix Broken ERP Implementation



Frederick Wildman invested over \$5 mil on a broken ERP implementation

Overview

Frederick Wildman, a wine distributor, selling through marketplaces and distributors across NA.

Company Size

~\$300 mil in annual revenue

Location

NY, USA

Industry

Wine Distribution

Employees

~200

Frederick Wildman, a wine distributor, selling through traditional distribution channels, as well as marketplaces was struggling with their existing ERP implementation. They implemented Microsoft Dynamics 365 Business Central and integrated it with an industry focused CRM solution. With substantial issues during the implementation FW wanted to understand their options with the broken implementation.

FW engaged with ElevatIQ through New Gen Architects, ElevatIQ's strategic partner for their clients' ERP needs .

Executive Summary

Through ElevatIQ's proven methodology, ElevatIQ was able to help educate NGA and FW in how to navigate the complex ERP ecosystem, including pursuing legal options for recouping their investments. As well as co-ordinating with Microsoft and

their resellers in understanding the core issues with current implementation.

Within 5 months, ElevatIQ was able to formulate several strategies including ROI analysis of sticking to the current platform vs moving to a new one.

Understanding of Integration Issues	
Deeper Root Causes Analysis	✓
Feasibility of Legal Options	✓
Vendor and Add-on Risk Analysis	



They were very honest about what they can and can't do, and it was great working with a partner with their level of expertise.

Dyci Sfregola

CEO, New Gen Architects

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The Challenge

Frederick Wildman implemented MS Dynamics 365 Business Central after moving from SAP in the hope of getting technical advantages of cloud technologies. They hired a Microsoft ISV who had a pre-baked add-on for the Wine distribution industry, hoping to find a product tailored for their industry.

The initial promised implementation time was less than 9 months, but even after spending millions of dollars and over 24 months, the platform was never stable. So they wanted to find another option that could replace the current ISV. They assumed that any developer should be able to pick up from where they left. Little did they know that it would never be an option because of the way ISV structured the contract. Even Microsoft's help would have hurt them further.

Poorly implemented ERP led to significant operational disruptions.

- ✓ Pre-mature add-ons → Huge dependency on MS VAR/ISV
- ✓ Issues due to EDI integrations inside add-on.
- ✓ Poorly engineered master data
- ✓ Negligent documentation for ERP implementation

The Solution

After a brief review, ElevatIQ proposed a comprehensive review of their processes, systems, contracts, and architecture. ElevatIQ quickly found that the only option that FW had was to stick with the current ISV regardless of the unhappiness with their performance. And other options, including Microsoft's advice would only hurt them further.

The other options proposed were to restart the ERP implementation, seek legal path to claim the damages, and decoupling the architecture.

What caused the ERP implementation issues?

Pre-mature add-on with very little product documentation. Poorly written add-on with intertwined functionality. Mixing of architectural concerns such as integration code with business logic. No process or data reengineering.

Why were these changes recommended?

Without the add-on from ISV, FW would not be able to use the product due to the missing last-mile functionality needed for their industry. If they tried to develop the same functionality from scratch, it would have costed them another \$4-5 million due to the heavier lift required.

As most OEM would recommend, Microsoft offered FW an option to change the partner. But even that advice would have fired back as the other partners would not have the last mile functionality required. And Microsoft would not offer the refund as they were not in the violation of their agreement with the ISV. We consulted with several ERP lawyers and they all recommended improving relationship with the current ISV.

Business Disruption Risk

>50%

Due to ISV pulling off support due to the poor vendor relationship

Total Legal Costs

>\$1M

Due to the unnecessary litigation with very little chance of success.

Opportunity Costs Savings

>70%

Reduced the time of internal team members including FW and NGA executives.

Why It Was a Success

Because of ElevatiQ’s deep expertise of the ERP ecosystem and their mastery of various products in the market, ElevatiQ was able to quickly assess that the add-on would be a deal-breaker because the ISV would not share the code for their add-on. The ISV never educated FW that an ISV add-on would be included with the implementation. And they were buying a flavoured, black-box to which even Microsoft would not have access (or control over).

With the sound expertise of enterprise architecture, ElevatiQ discovered the mixing of architectural concerns, in embedding integration code with the add-on. The integration code is typically error-prone with the manual interventions required because of variations in inputs.

ElevatiQ’s deep ERP and process expertise helped them evaluate complex decisions such as keeping the lot-control functionality inside the add-on vs in an external system. The ad-hoc decisions that would cause operational disruptions were reverted quickly.

ElevatiQ’s depth with ERP contract negotiations and deep understanding of ERP systems helped FW avoid business disruptions due to a failed ERP implementation.

ElevatiQ also helped them understand why their SKUs and processes would require substantial process reengineering before they implement the next ERP. And why the as-is processes may cause similar issues even with the newer product. Finally, ElevatiQ helped them with a gameplan of incorporating an iPaaS and treating the ERP primarily for the core ERP functions.



We were impressed with their depth of experience and knowledge in the ERP integration space.

Dyci Sfregola
CEO, New Gen Architects

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	As-is	To-be
 Clarity on the available options including legal	✗	✓
 Improved understanding of the architecture and technical risks	✗	✓
 Existing systems and investments retained in the new architecture	✓	✓
 Duplicate data entry required across multiple systems and omnichannel issues	✓	✗
 Documented cross-functional business processes and their impact on users	✗	✓

About ElevatiQ

ElevatiQ is an independent ERP and digital transformation consulting firm, with the focus on ERP selection, contract negotiation, business process reengineering and design. As well as enterprise and multi-system architecture, growth enablement strategy and documentation, and business case development. Plus, business model transformation strategy, change management, ERP project recoveries, ERP project management, and ERP implementations. With over 1000 ERP selection engagements and over 200 successful ERP implementations, ElevatiQ is uniquely positioned to build the digital process architecture for the next phase of your growth.

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