



Junction Solutions

Where Platform Meets Inspiration

CASE STUDY

Mrs. Fields Gifts



- The Challenge
- The Solution
- The Benefits



Mrs. Fields Gifts Streamlines Retail Processes, Gains Real-time Information, and Meets Compliance and Safety Requirements in its Bakeries.

Launched in 1988 and based in Salt Lake City, Utah, Mrs. Fields Gifts Inc. is a wholly owned subsidiary of Mrs. Fields Famous Brands LLC. and now offers more than 200 different gift items. Mrs. Fields Gifts is a premier direct marketing and baked goods gifting business seeking to integrate operations, prepare for future growth, and expand inventory visibility with minimal disruption. Having outgrown their enterprise resource planning systems and expecting significant future sales growth, the company needed new ways to integrate operations, gain insight into the inventory process, and improve core business systems with minimal disruption.

To meet these needs, Mrs. Fields Gifts chose JunctionRES™ to manage catalog order and fulfillment operations, JunctionF/B™ for food & beverage processing and Microsoft Dynamics™ AX 4.0 business software. JunctionBI™ was also chosen as their business intelligence solution. The deployment of these integrated solutions has enabled the company to increase visibility into its inventory cycle, improve control over manufacturing processes, and establish best practices for marketing support operations.



THE CHALLENGE

Based in Salt Lake City, Utah, Mrs. Fields Gifts Inc. is a subsidiary of Mrs. Fields Famous Brands LLC. and a premier national business-to-business and business-to-consumer retailer and manufacturer of baked goods and gift packages. Its marketing strategy is to grow the business using e-Commerce, catalog mailings—15 million catalogs per year spread over nine drops—and a national sales force. Mrs. Fields Gifts anticipates annual sales order volume growth of 50 percent over the next five years, in part by broadening its line of products through partnerships with other food-based gifting companies.

Mrs. Fields Gifts used three separate systems for accounting and operations management. Due to the company's tremendous growth, these systems were no longer adequate and required a replacement that would provide a single unified view of operations. Specifically, Mrs. Fields Gifts needed a much deeper multi-channel marketing view of its customer database, and it wanted an enterprise resource planning (ERP) solution that would combine baking operations with the catalog ordering process. The company also needed a system that could be fully integrated with its existing online sales interface and still enable it to develop in-house systems as needed.

“We had little insight into inventory, didn’t have structured bills of materials, and it was very difficult to control how waves of orders and batches flowed through the plant.”

The nature of the high-volume bake-to-order gifting business of Mrs. Fields Gifts placed some unique requirements on the new system. The solution needed to be able to aggregate individual orders for baked goods into batch-baking worksheets that summarized the baking needs for an entire workday. The system would also be required to integrate with a shipping manifest process that could handle high volumes quickly and flexibly. Service representatives would need the ability to add or edit gift recipients at any time, while billing and invoicing had to be flexible enough to handle individual shipments and large, complex sales orders.

“We had little insight into inventory, didn’t have structured bills of materials, and it was very difficult to control how waves of orders and batches flowed through the plant,” states Greg Berglund, President of Mrs. Fields Gifts. “For instance, our sales team too often didn’t know if they had 3 or 3,000 more of a product to sell. We also had very limited insight into the marketing effectiveness of the business and the performance across all channels and units. To be able to time all of the baking and all of the manufacturing and assembly, to have it all together at just the right time when it moves into the cellular manufacturing part of the business, is no easy task.”

THE CHALLENGE

Essentially, Mrs. Fields Gifts needed an ERP system that could do it all, enabling them to improve the company's core business processes and pursue new opportunities while minimizing the disruption to ongoing operations.

THE SOLUTION

To address these needs, Mrs. Fields Gifts decided to implement a complete and integrated ERP package from Junction Solutions. The company chose JunctionRES™ to manage catalog order and fulfillment, JunctionF/B™ for food & beverage processing and Microsoft Dynamics™ AX 4.0 business software as the best platform to meet its objectives. These industry-specific solutions, based on Microsoft Dynamics™ AX, give Mrs. Fields Gifts unique capabilities to perform most of their operational processes, including:

- Accounting
- Audit control
- Cross-channel retail
- Customer relationship management
- Data warehouse and reporting
- Food processing
- Enterprise resource planning
- Inventory management
- Order entry and fulfillment
- Supply chain management

“We had the choice between going for a best-of-breed approach by module—get a customer service module, an accounting module, a manufacturing module, and so forth, and bolt them together—or a complete and integrated package.”

-Greg Berglund, President, Mrs. Fields Gifts Inc.

THE SOLUTION

Junction Solutions' integrated products chosen by Mrs. Fields Gifts include:



Junction RES™

JunctionRES™ is a flexible retail ERP solution that can be integrated with other Junction Solutions' products. As one of the products in Junction Solutions for Retail product suite, JunctionRES™ enables Mrs. Fields Gifts to operate and analyze an entire stream of catalog campaigns, order management, supply chain, e-Commerce, and point-of-sale processes through any sales channel.

Numerous enhancements were made to JunctionRES™ to accommodate Mrs. Fields Gifts. These included integration with shipping manifest software, an interface to the vendor management portal, and several customer service features to handle flexible cookie-flavor ordering rules.



Junction F/B™

JunctionF/B™ is integrated with JunctionRES™ to provide Mrs. Fields Gifts with a powerful and flexible batch and manufacturing system. This enables all users to share data in a centralized system while addressing the key needs of food and beverage processors and distributors. These needs include:

- Consistent product quality
- Food safety and traceability
- Optimized manufacturing planning and inventory control
- Customer satisfaction and channel relationships
- Product line profitability



Junction BI™

JunctionBI™ is a functionally rich application based on the Microsoft BI platform that can be customized for retail and consumer goods business analytics. Junction Solutions customized the system to meet the business intelligence solutions for the multi-channel retail business of Mrs. Fields Gifts. JunctionBI™ offers bills of materials and nightly match-back for the cellular manufacturing area and analytics-based instructions for individuals who assemble gifts.

THE BENEFITS

Junction Solutions' integrated solutions enabled Mrs. Fields Gifts to streamline retail processes, gain real-time information, and meet compliance and safety requirements in its bakeries. Microsoft Dynamics™ AX also offered simple, seamless integration with the company's various related ordering and gifting systems. The implementation brought several business-process benefits to Mrs. Fields Gifts.

“Instead of taking a monthly, quarterly, or annual physical inventory—which requires us to stop operations—we’re now able to cycle-count inventory almost continuously with minimal disruption to daily operations.”

Expand ERP and Inventory Management Capabilities

Mrs. Fields Gifts is now able to track every unit on every rack in all locations. With improved insight into inventory at every step of the management process, the company can cycle count warehouse products accurately and optimize inventory stocking levels to meet customer demands and maximize profits.

“Instead of taking a monthly, quarterly, or annual physical inventory—which requires us to stop operations—we’re now able to cycle-count inventory almost continuously with minimal disruption to daily operations,” notes Berglund. “Taking inventory this way gives us an ongoing measure of inventory accuracy and procedure execution, and it can be tailored to focus on items with higher value or higher movement. With access to the latest inventory numbers, we’re prepared for the unexpected and can offer our customers superior service.”

Increase Control Over Manufacturing

The integrated wave management system in JunctionF/B™ enables Mrs. Fields Gifts to exercise greater control over the movement and grouping of batch orders at all manufacturing stages. By setting up production schedules by formula so that items with the same formula can be produced from the same batch ticket, the company has improved the efficiency of its baked goods operation and simplified its gift-packaging process. Since all supply of a given item is considered during production scheduling, Mrs. Fields Gifts no longer has to worry about accounting for batches that are in progress, but not completed. Costly duplication of orders is also reduced. And because the quality control of each batch is automated, stakeholders can quickly address any problems and take corrective action to prevent missed shipments.

THE BENEFITS

Maximize Marketing Intelligence

Real-time access to the past 10 years of customer orders and item data has empowered Mrs. Fields Gifts with advanced marketing-decision capabilities. The company is now able to determine current and future customer needs and preferences, and assess changes in the business environment as accurately and reliably as much larger companies.

“I’ve been in direct marketing for 15 years, and with JunctionRES™, Mrs. Fields Gifts has one of the best data warehouses I’ve ever seen, even compared to companies 10 times its size,” states Berglund. “We now have one of the most effective direct marketing systems within our industry.”

Mrs. Fields Gifts is now able to analyze online orders and use that information to understand what marketing effort is needed to maximize online sales. This process helps executives logically analyze marketing efforts to see if they can be aligned to a specific marketing event, whether it is an e-mail campaign, a catalog mailing, or telemarketing call.

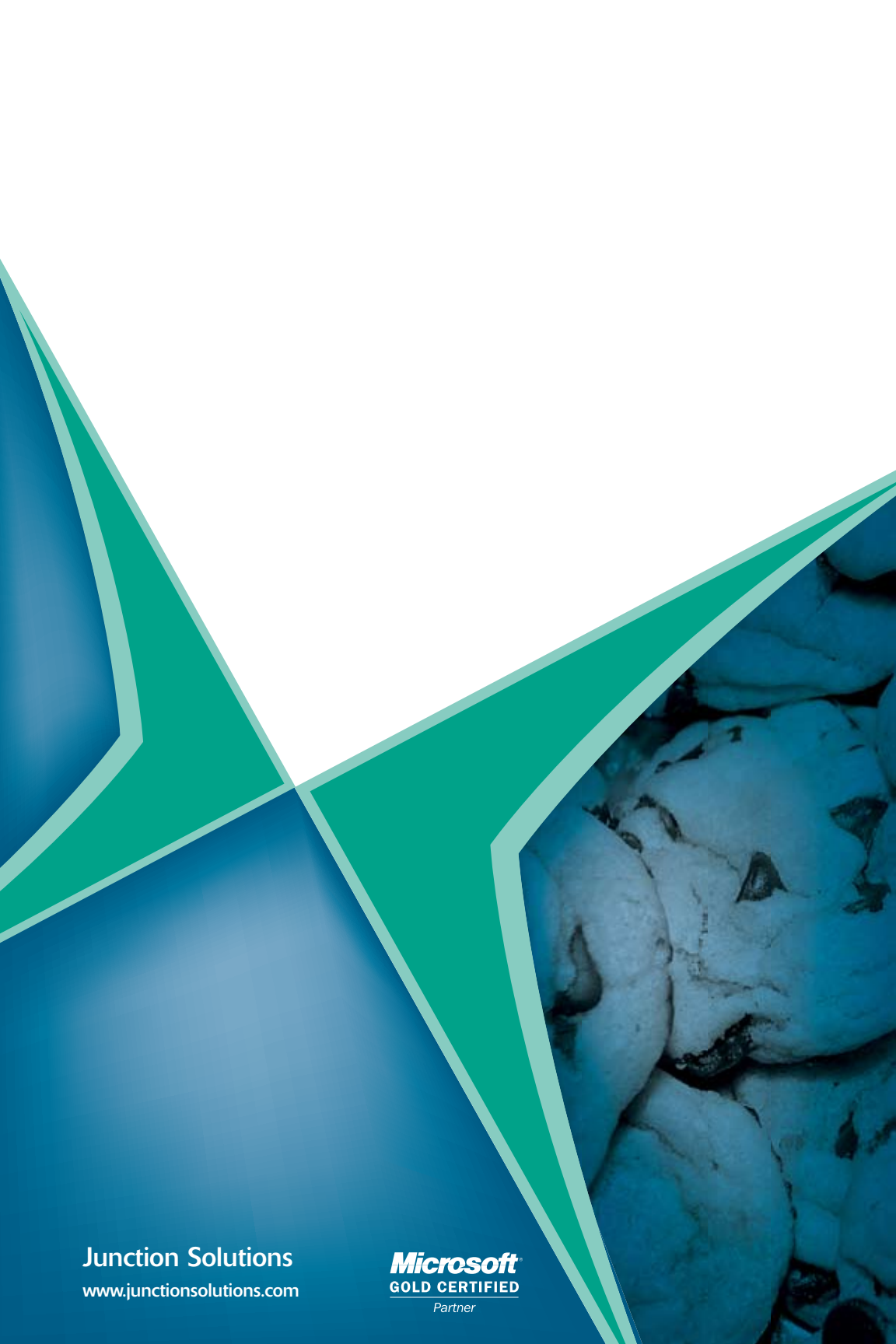
“We chose Junction Solutions’ industry-specific products because they are easily customizable and built on Microsoft Dynamics™ AX, a next-generation platform. This integrated ERP solution sets us up for the next 10 years.”

-Greg Berglund, President, Mrs. Fields Gifts Inc.

Lower Cost of Ownership

For Mrs. Fields Gifts, Junction Solutions has combined out-of-the-box functionality of Microsoft Dynamics™ AX with industry-specific features and ease of customization to deliver low total cost of ownership. Since Microsoft Dynamics™ AX offers broad functionality that supports build-to-order, engineer-to-order, and build-to-forecast supply chain models across both discrete and batch-process manufacturing modes, Mrs. Fields Gifts can expect the cost of ownership to remain low, regardless of their manufacturing environment.

“It still seems unusual for an organization of our size to have access to so many powerful business tools,” notes Berglund. “The low total cost of ownership of Junction’s integrated industry solutions and Microsoft Dynamics™ AX helps us optimize our direct-marketing decision making and engage in best business practices with ease and cost efficiency.”



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