



INVENTORY II™

Customer testimonial

Despec Nordic (www.despec.dk)

- is one of the leading wholesale players in the Nordic region for IT consumables and office related supplies. From distribution centres in Copenhagen and Stockholm, Despec supplies more than 3.000 resellers and retailers in the Nordic and Baltic regions with almost 1.000 shipments every day.

Despec implemented and went live on a central Microsoft Dynamics AX 4.0 solution in January 2007 with nearly 100 concurrent users – Despec came from an older AS400 solution.

Despec operates in a highly competitive environment with product cost prices varying several times per day and with a business model which is based on actual cost prices plus a small distribution margin.

This means that sales prices need to be changed immediately upon cost price changes to ensure that contribution margins are maintained. Because of that it was an ultimate demand from Despec that the new Dynamics AX system was able to handle actual cost prices based on a weighted average principle in *real-time mode* as sales prices are calculated on request.

After implementation of Dynamics AX it was a very negative experience to discover that the implemented Dynamics AX solution was only able to operate with actual cost prices on a periodic basis: just after recalculation or monthly closing of the inventory and even that was only an option the first month as the inventory closing the following months took more than a weekend to execute.

After few months the inventory value and actual product cost prices became more and more misleading as the inventory was not closed and updated with correct cost prices - thus Despec was no longer able to calculate correct sales prices to ensure profit in daily operation nor produce reliable management reports showing the actual performance of the company.

In October 2007 Despec was very close to a situation where the old AS400 system had to be re-introduced simply because the financial performance of the company was completely unknown. At that time FSB Development launched the Inventory II solution - a solution that could handle all the issues around real-time costing and inventory closing which Despec had been fighting against every day.



The Inventory II™ module for Microsoft Dynamics™ AX is an extension to the standard Inventory module. Inventory II™ applies to companies looking for advanced inventory management or high scale transaction volume capabilities. Inventory II™ is available for 3.0, 4.0, 2009 and 2012 versions of Microsoft Dynamics™ AX.

After a presentation of Inventory II in October 2007, Despec was sure that Inventory II was the right solution for them and a solution which would fix all the issues around real-time average costing and inventory closing.

Despec implemented Inventory II in their live Dynamics AX environment in less than 2 weeks and this was done with no interruption of the daily operation at all.

So when asked: Which of the Inventory II benefits have had the greatest impact on Despecs daily operation?

Managing director Michael Voll says:

We could simply not run our current business model without Inventory II - and Michael continues: before Inventory II we spent more than 72 hours on trying to figure out cost prices every month today we don't use time on this at all - but more important we are **"back on track"** knowing our profitability on both daily and monthly basis simply due to the implementation of Inventory II.

IT-manager Thomas Hald is further adding: and the visibility of the cost prices is eminent: it is completely outlined what contributes to any average cost price in the system so that we can have 100% faith in these. This is very important when running an operation with such heavy transaction load;



IT-manager Thomas Hald and Managing Director Michael Voll

we actually have a turnaround time of approximately 2 weeks for the entire inventory so the daily amount of transactions in the system is extreme - I'm not sure what we could have expected in terms of response times from the system without Inventory II.

Today 10 months after Despec went live on Inventory II - **Managing director Michael Voll concludes:**

If Inventory II had not been available we would have been in severe problems - our business was out of control - and we would probably have been forced to change to another system, so we are very happy that we got Inventory II just in-time. The only thing we could have hoped for is that Inventory II had been launched a year earlier - then we could have avoided the worst 11 months we have ever experienced.



FSB Development

FSB Development is a software company developing modules for Microsoft Dynamics AX.

The Inventory II module for Microsoft Dynamics AX is an extension to the standard Inventory module. Inventory II applies speed and simplicity to the standard Inventory module. Inventory II is the right choice for companies looking for real-time advanced inventory management, high scale transaction volume capabilities or 24/7 operation. Inventory II is available for version 3.0, 4.0, 2009 and 2012 of Microsoft Dynamics AX.

Inventory II is sold via certified Dynamics AX partners in more than 30 countries. More than 150 Dynamics AX customers with over 15000 AX users have chosen Inventory II.

FSB Development ApS
Kronprinsessegade 54A, 3
1306 Copenhagen

Denmark
Phone: +45 3811 8085
Fax: +45 3811 8083

Email: info@fsbdev.com
www.inventoryii.com
www.fsbdev.com