

POI Global Promotion Optimization Summit



Big Data
Pricing TPO
Retail Execution
Mobility TPM

Trevor Barrett - Premier Foods ;

Taking Organizational Change Head On from HQ to Field Force & What it takes to
Effectively Move to Cloud Technology



Agenda :



1) Our Business

* Back ground

2) Our Transformation

* ECC/APO/TPM/Cloud

3) Our Future

*Mobility/Optimization/IBP/DM

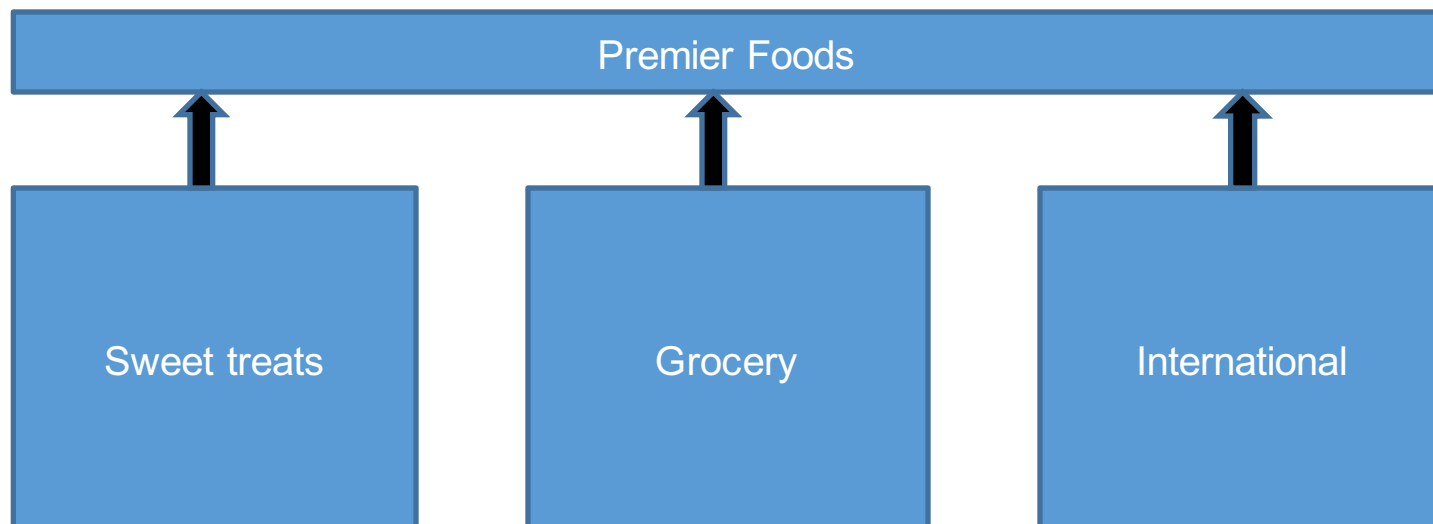


Agenda :

1) Our Business

Our Business :

- ❖ Major UK Manufacturing Business
- ❖ 5000 Employees
- ❖ 3 X SBU's :



Our brands :



Business Applications Overview

Cloud SAP

successfactors[®] S
An SAP Company

My HR

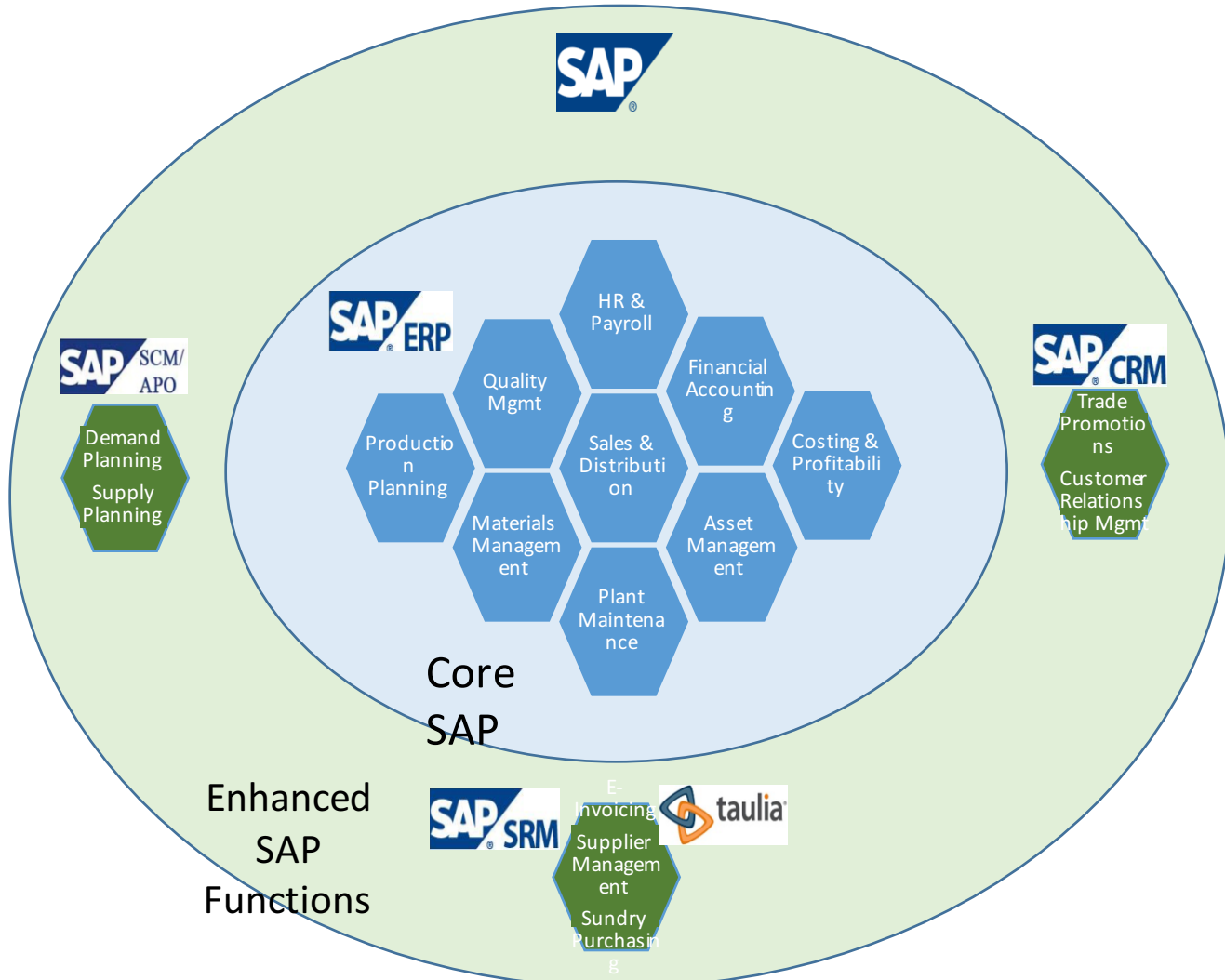
mindtouch
Knowledge Base

Key External

GREAT BEAR
3rd Party Warehousing

salesforce
Consumer Carline

SEEBURGER
Customer EDI



Premier App Platforms

Google

HRCM Request

Movilizer

Mobile PO Approval

Non SAP Solutions

Expensys
Expense Mgmt

FlexPod
POD Mgmt

OPEN TEXT
The Content Experts
Document Mgmt

Business Reporting & Analytics

SAP BusinessObjects
Business Objects Analytics

SAP BW
Data Warehouse

SAP BPC
Planning & Consolidation

BrandView
Multiple External Data Sources

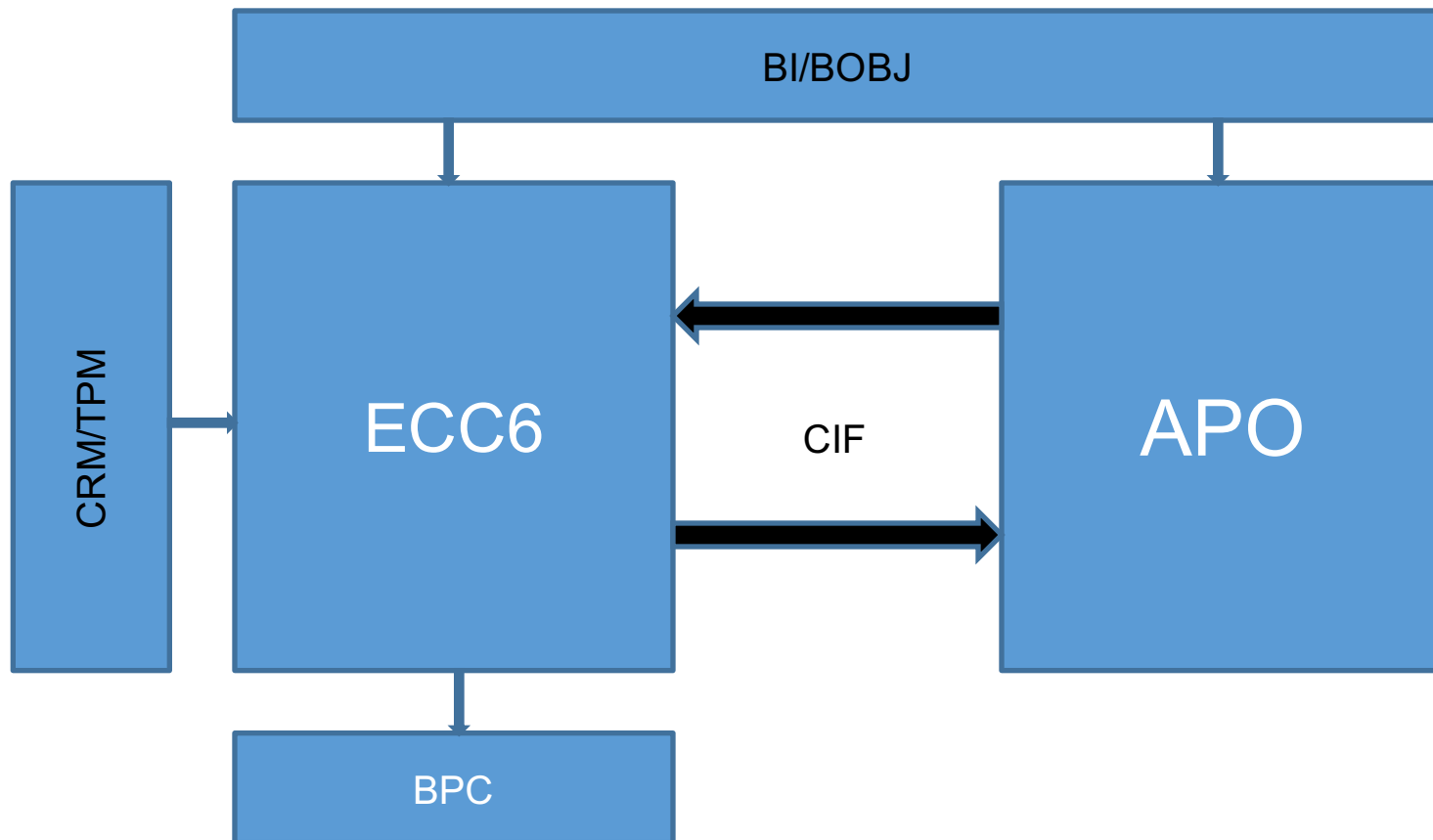
symphony E&C
Category Mgmt

brandbank
Digital Assets

Non SAP Solutions



System Landscape

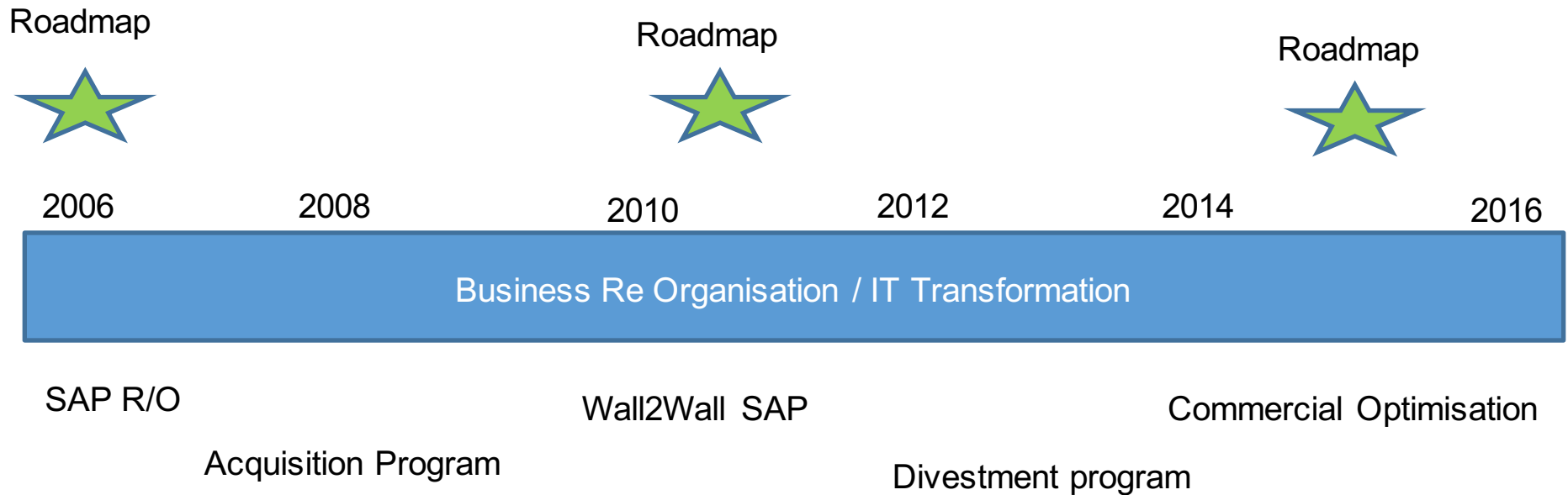




Agenda :

1) Our Transformation

Transformation Journey :



Acquisition/Divestment & Technology

- Acquisition strategy
 - SAP Implementation
 - Divestments
 - Business Organization
- Business Growth
 - Technical Alignment/Business Integration
 - Financial Consolidation
 - Brand Focus
 - *sweet treats
 - *Grocery
 - *International

IT Strategy

- **SAP Role out** - ECC/APO
- **Legacy system removal** - Simplification
- **Solution (s) review** - Roadmap
- **CRM/TPM** - Promotion Focus
- **Mobility** - Efficiency
- **Cloud** - Performance/Opex

Commercial and Operations Planning Project Delphi

“Driving alignment, simplification & integration of our forecasting & promotional planning systems”

Delphi – The transformation

- **What is it?**
 - A new system to manage commercial and operations planning, trade promotions , pricing and business agreements
- **What will it do?**
 - **Improve our Promotional Effectiveness** through better promotional planning & reporting capability and stricter discipline in authorisation processes, controls and post promotion review
 - **Improve our Forecast Accuracy and profitability** by supporting the new Integrated Business Planning (IBP) way of working to integrate our commercial (sales) and production (operations) plans – aligning what we plan to sell with what we make
 - **Bring in Absorption Costing** to help us improve margins by applying key aspects of production costs to each product, so we can make better commercial decisions and more accurate comparisons between in-house and external costs
 - **Move our systems to our new Financial Year** which now runs from April to March rather than the calendar year

Trade Promotions Management (TPM) system



- **Trade Promotions Management enables :**
 - **The single point of input** to manage promotional forms, pricing and business agreements, and subsequent customer claims
 - **Single aligned Commercial and Production forecast** for more than 18 months in the future at individual case level
 - **Enhanced business reporting** bringing more accurate pre and post business evaluation at the P&L level
 - **Support reclassification of Trade Spend Terms in the P&L** to improve understanding of how investment can drive profitability
 - **An updated brand hierarchy structure** to align pack pricing, making pricing judgements across promotions more accurate
 - **Improved daily sales reporting** and details on associated spend providing better information on which to judge our success



SIMPLIFIED

INTEGRATED

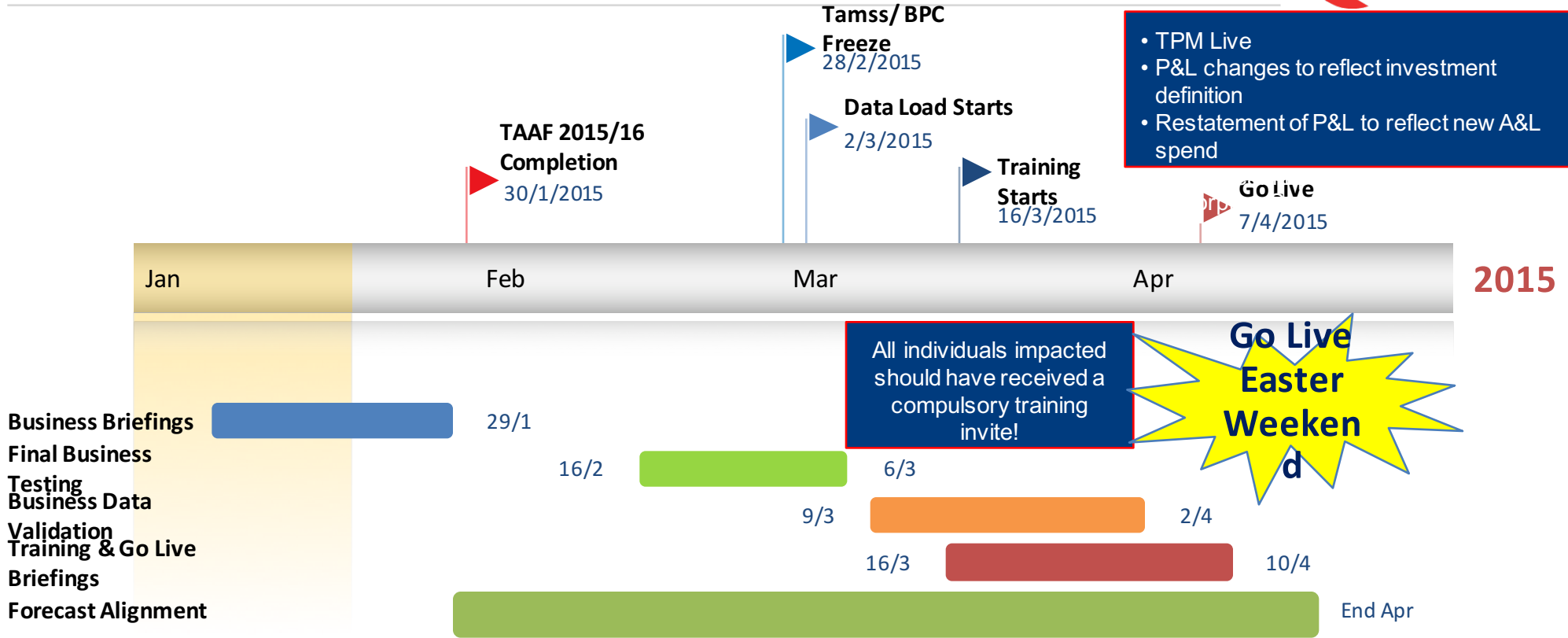
ALIGNED

COMPLIANT



Key Milestones

Brand/ Pack Hierarchies Change 28th Feb



Workstreams:





Our Transformation

“On Premise to Cloud”

On Premise > Cloud Overview



» Migrate all Premier central IT systems (our datacentres)

- ◆ Move our systems into the Cloud with Vodafone & HP
- ◆ Hosted in the world's most energy efficient data centre (HP Wynyard)
- ◆ Improved network within our central systems
- ◆ Modern computing resources and design to improve performance and agility
- ◆ Upgrades across the board to business critical applications and underlying operating systems, ie BOBJ, Office, VPN, Citrix, Internet Explorer, SRM

» Why did we do it?

- ◆ The datacentre was designed and originally implemented c2002, added to via various projects over time.
- ◆ Existing datacentre and design is old fashioned with very old hardware
- ◆ No longer fit for purpose post Premier business changes

» Migration Implications

- ◆ Improved systems performance and future agility once complete
- ◆ Production change freeze from December to March
- ◆ Some small systems outages out of hours during migration
- ◆ SAP outages during trial & production cut over

Visions to Roadmap



EUC

We are able to provide modern solutions and desirable device choices that provide access to Premier applications from any device, anywhere.

Core

We build excellent and stable core technologies that fully support the delivery of our services.

Communications

We create dependable and fast access to the voice & data networks. Simplifying with converged voice & data platforms and cloud services.

Data Centre

Flexible and agile hosting model utilising a blend of private and public datacentre approaches.

Security



Apple MAC Pilot @ Premier



User self service



WAN upgrades



Datacentre migration



Single username & password



Local network improvements



Improved telephony (vone)



Choose your own device

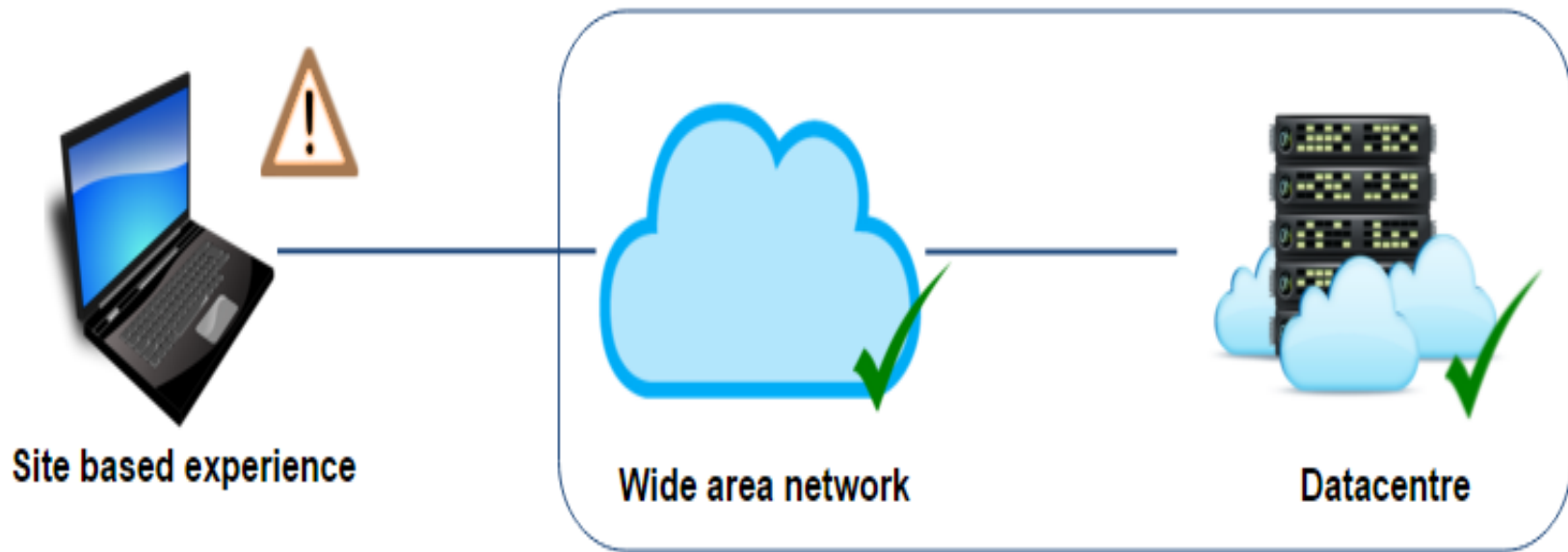


Windows 10 build



Office 365

Infrastructure cornerstones

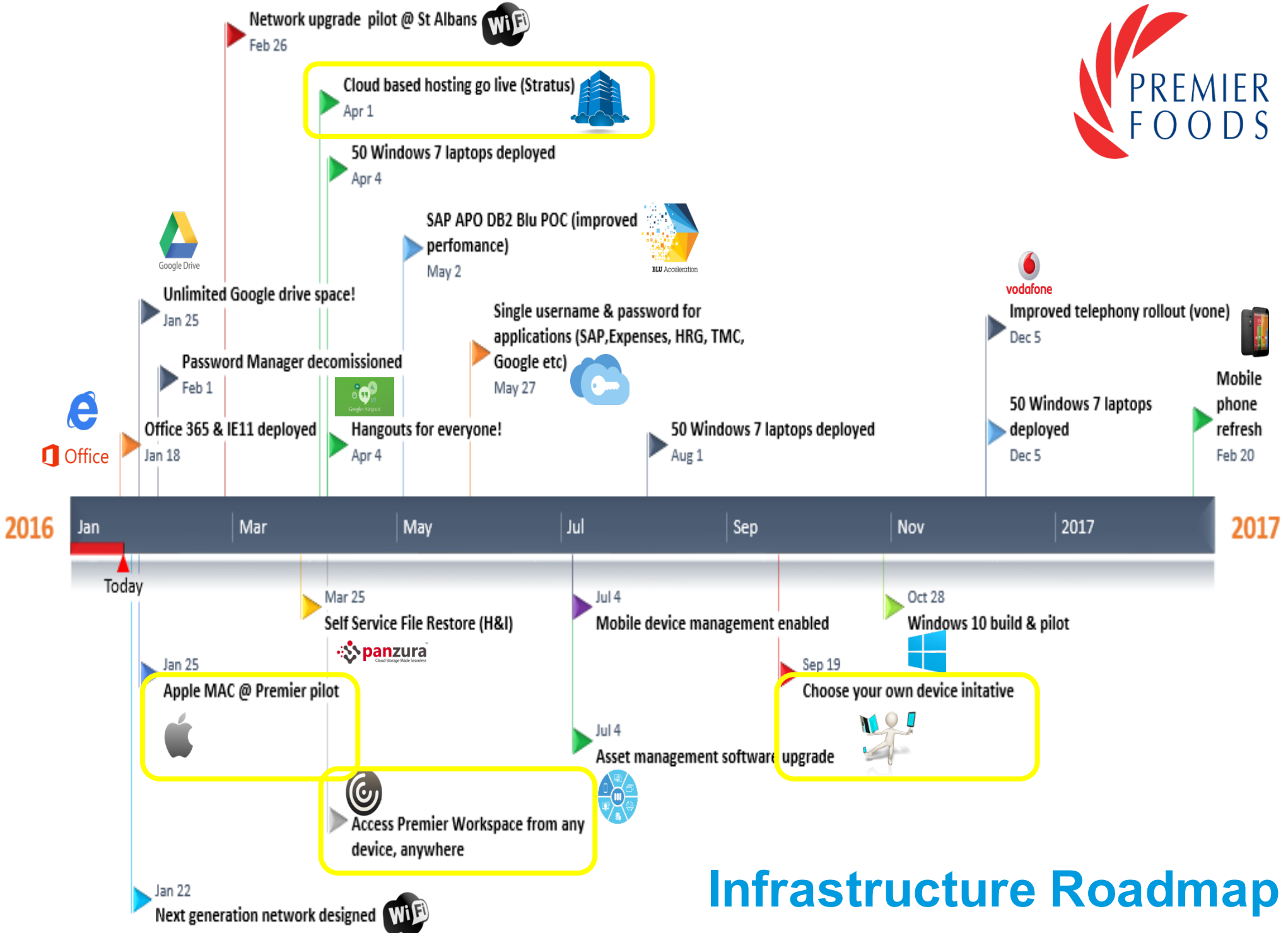


- Upgrade WiFi for speed and reliability
- Refresh cabled network for stability
- Self service guest wifi service
- Secure against unapproved devices
- Separate project (not Stratus)

Vodafone upgrade complete.

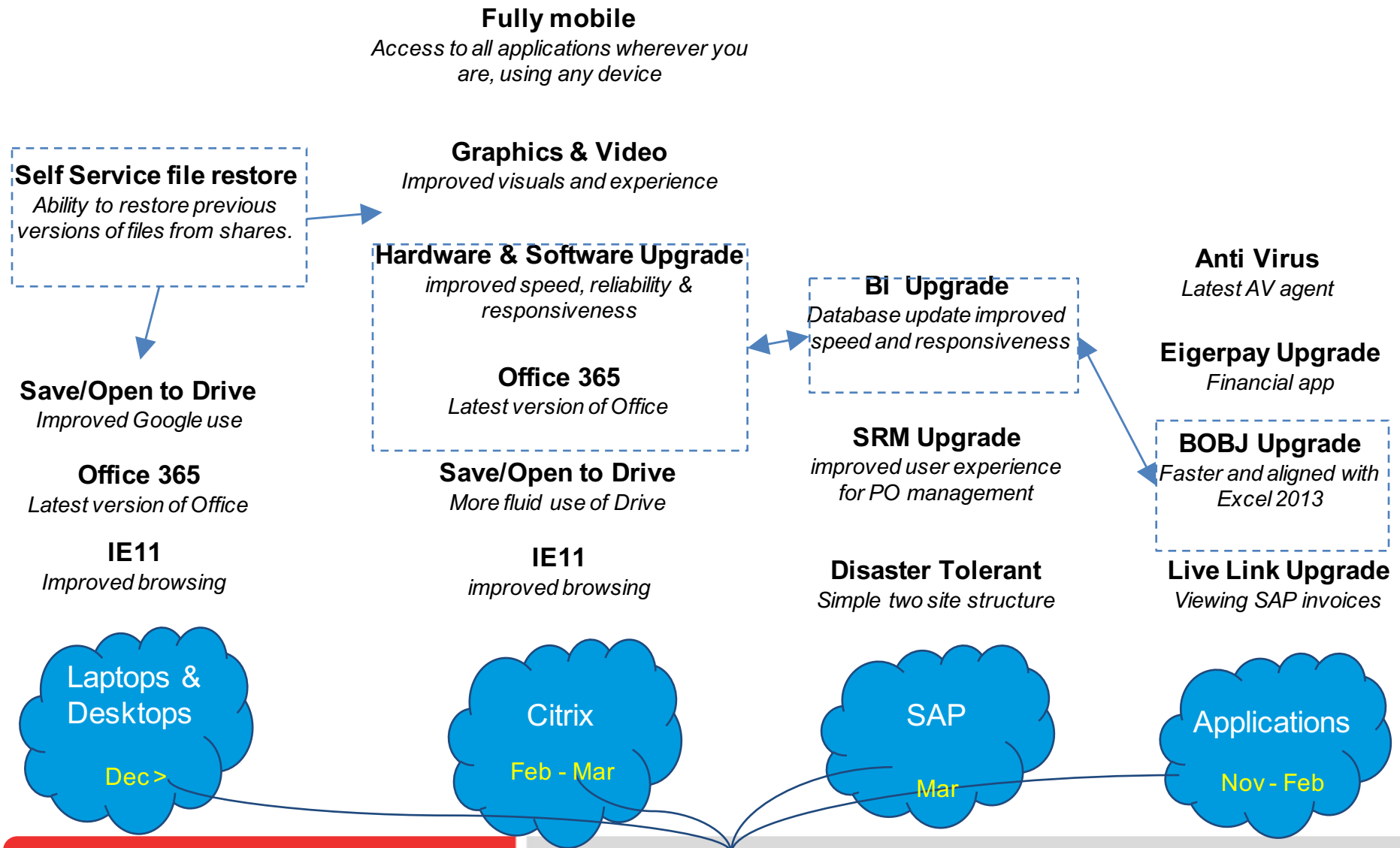
Project Stratus
Migration December 2015
to March





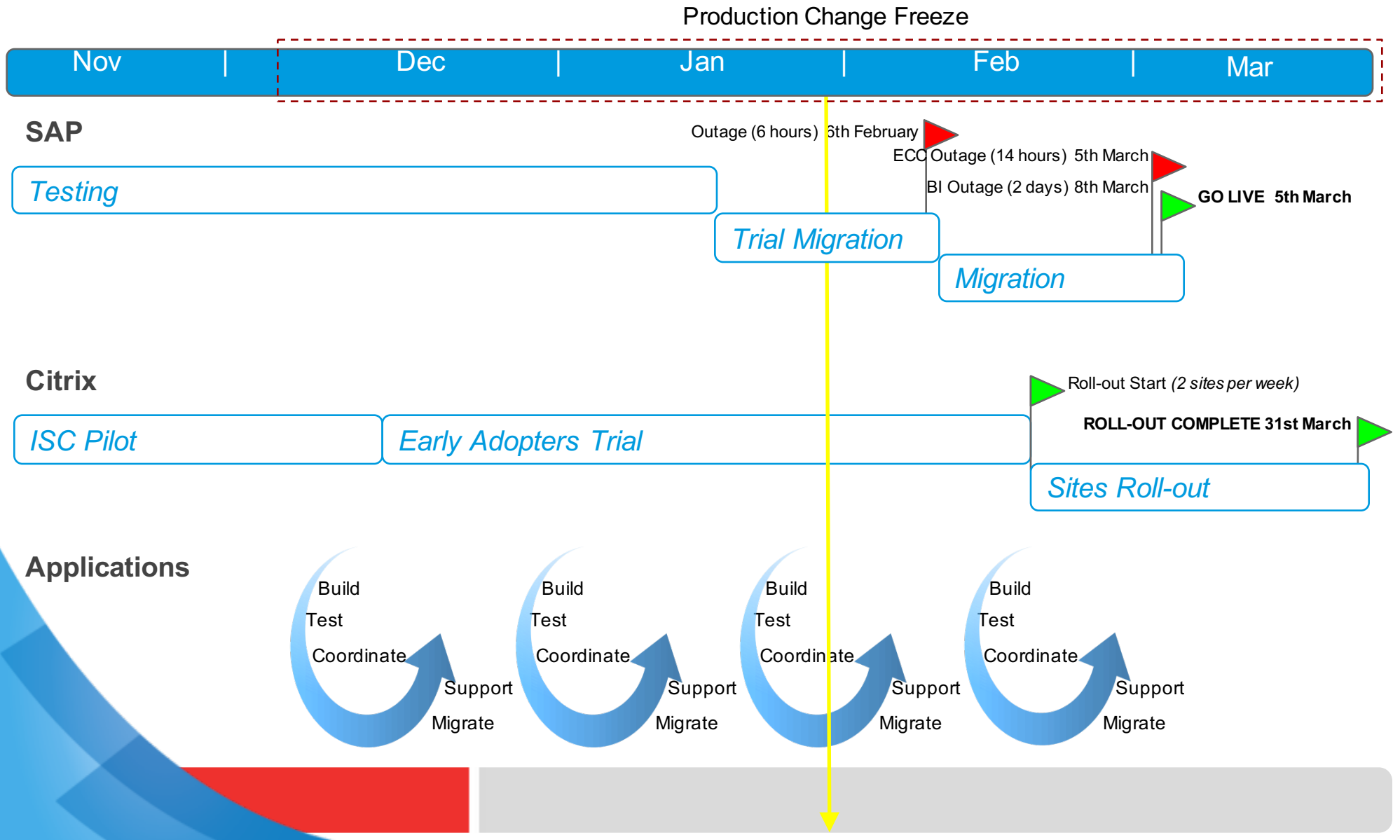
Infrastructure Roadmap

Stratus Transformation (Nov - March)



Faster network and more agile, faster platform in a new cloud based datacentre

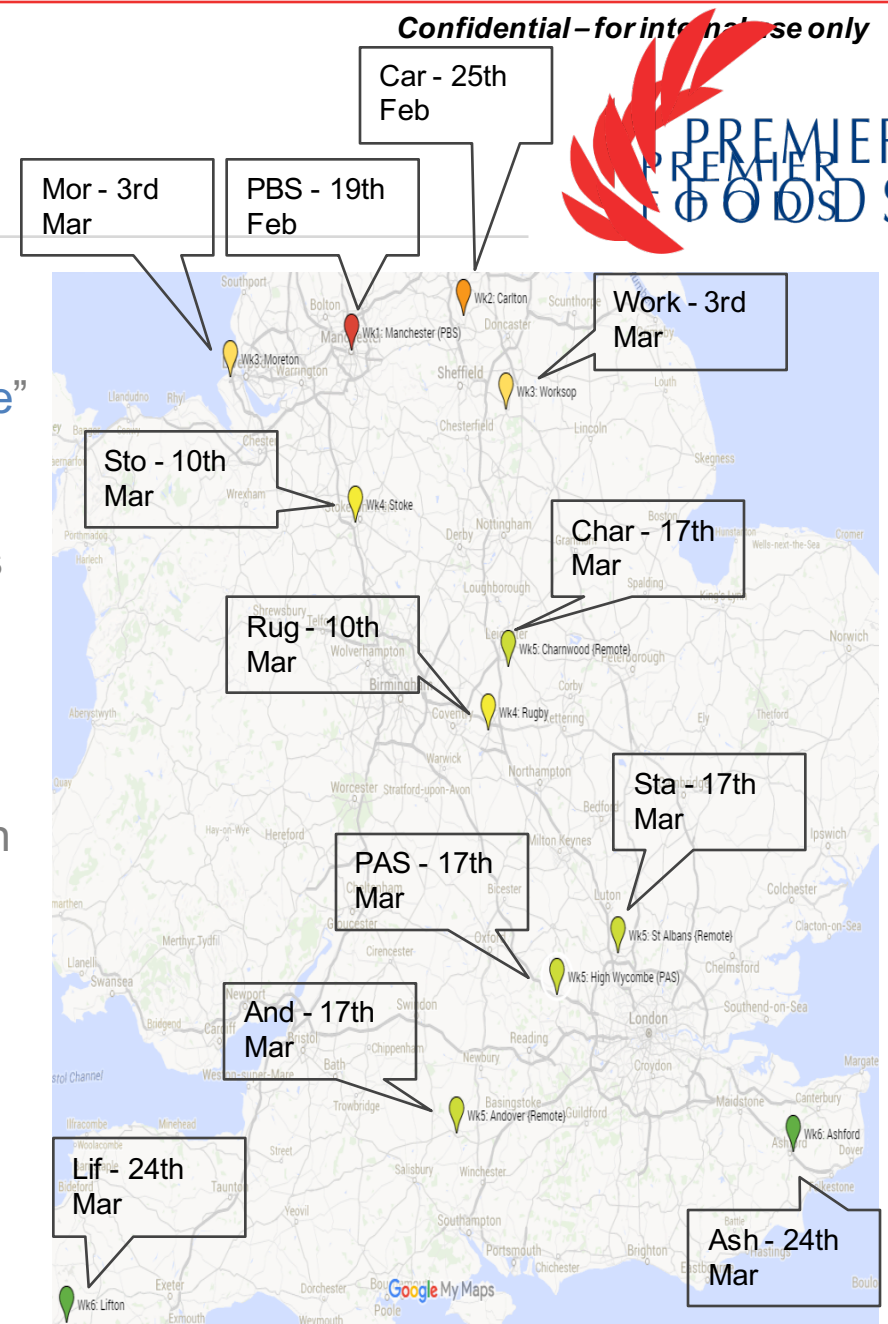
Stratus Timing



Citrix Implementation

- Citrix application pilot group established
- The new Citrix Desktop “Premier Workspace” pilot starting w/c 18th
- Excel 2013 upgrade communicated, Marcos & Spreadsheet testing underway
- Increase in performance and stability
- New “Premier Workspace” rollout starts 16th Feb @ PBS
- Password Manager will be decommissioned
- On site support planned

Confidential – for internal use only



Work anywhere from any device = Premier Workspace

Governance



- » Full regression and remediation testing being carried out across streams
 - ◆ 3rd party subject matter experts involved
 - ◆ Business users engaged
 - ◆ Go/no go stages throughout plan and focused during key weekends
 - ◆ Sign off process in place

- » Communication plan in place, using all possible mediums
 - ◆ Regular What's Cooking updates on progress
 - ◆ Site based updates within existing Service reviews
 - ◆ Direct and targeted emails where appropriate
 - ◆ Information gathering and count down comms @ logon

- » Early Life Support
 - ◆ Hypercare plan during stabilisation period directly to project team
 - ◆ On site support for the Citrix migration on the scheduled day



Initial Drivers for Blu



A major data centre transformation project, moving to a cloud based operation.

- Move from AIX to Linux
- Move from PSeries to Intel
- From CAPEX to OPEX
- DB2 upgrade, to 10.5 FP6

Simplify the landscape and remove the dependency on expensive BIAs.

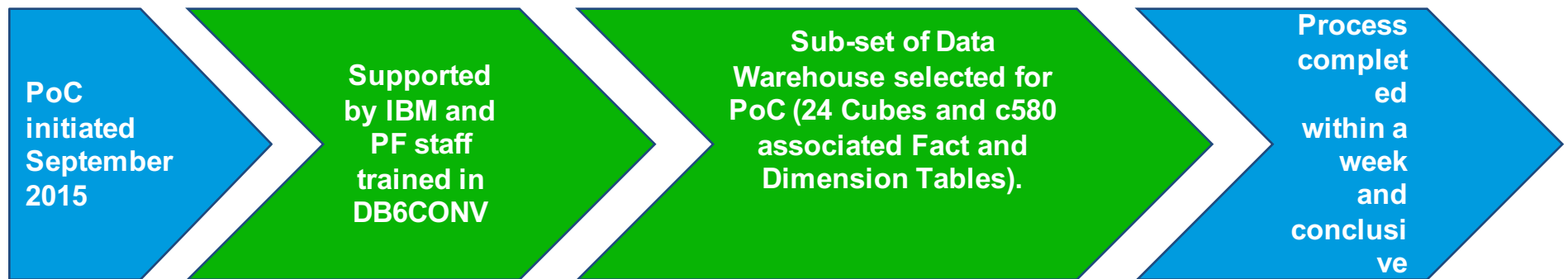
- Remove hardware from Datacentre
- Save on maintenance
- Save on refresh
- Reduce a 12.5TB Warehouse

The outcome from a SAP HANA for BW review.

- HANA for BW felt less strategic than S/4 HANA
- Effort to implement considerably more vs benefit
- x4 more expensive

... and, essentially, our Data Warehouse requirement is pretty straight-forward

Our Initial Approach

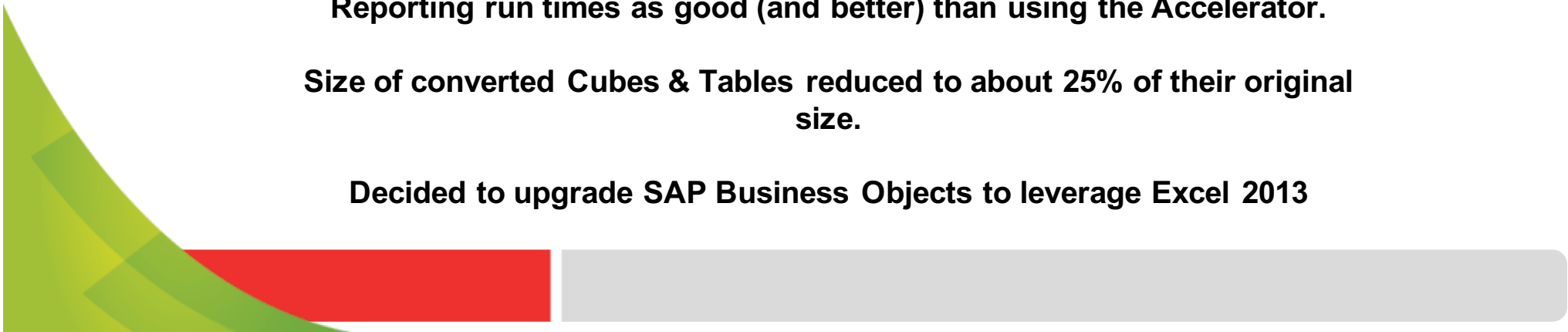


BAU data processing times were reduced post-conversion.

Reporting run times as good (and better) than using the Accelerator.

Size of converted Cubes & Tables reduced to about 25% of their original size.

Decided to upgrade SAP Business Objects to leverage Excel 2013



So what?



- Noticeably improved Batch update process times (**anything up to 60% faster**).
- Reduced total BW size.
- **All reporting run-times** - not just those that used the BI Accelerator - at have improved.
- Decommissioned our Accelerator - simplified the infrastructure landscape, reduced support requirements and reduced costs.

Area	Before	After
DPFE	12h 48m	7h 9m
Daily Sales	41m	17m
Daily Sales	5h 12m	2h 26m
Accruals	3h 42m	1h 25m
Disputes	1h 40m	47m

Live Plan & Snapshots

- We **could not run** this previously during the day
- It was one off late evening runs if staff were available or if support parties were paid to carry out work.

These can now be run during the day and within 17 mins!

RF's, Budget, Approved plans, Adhoc snapshots to support meetings

DB2 Blu has been in Production for a week and the success stories are still flooding in, it's one of the most straightforward and impactful change we've done.

DB2 Blu APO PoC next!

“Our Future”

- ❖ Mobility
- ❖ Optimisation
- ❖ Integrated Business planning (IBP)
- ❖ Digital Marketing

Mobility

□ Mobility – Fiori

- ❖ Fiori Cloud Edition
- ❖ Landscape simplification
- ❖ Improved look/Feel
- ❖ Efficiency / Consistency
- ❖ App Catalogue
- ❖ Develop in house
- ❖ OPEX vs Capex

Optimisation

□ Trade Promotional Optimisation

- Integration - Simple/Efficient
- UI Focus - User Friendly
- Insights - Cannibalisation
- Collaboration - Manufacture/Retail

Integrated Business Planning

□ SaaS

- ❖ SAP Focus - Multi Release
- ❖ OPEX - Vs Capex
- ❖ Cloud Technology – Vs On premise
- ❖ Functional adoption – Agile Implementation

Digital marketing

□ Digital Strategy

- ❖ Technology options
- ❖ Insights from Industry
- ❖ Pricing Structures



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