

# Success Story

## DCC Supplies Retail Sites from the Cloud

Service Station Network is operated by using the Implico Global Operation Services (iGOS)

Opportunities need to be recognized – and taken. When ExxonMobil announced in mid-2014 that the Group was considering divesting itself of its French retail sites network, Irish company DCC saw its chance and took it. It was a huge challenge, requiring the organization of supply and operational processes for around 400 stations in terms of both personnel and technology. Target was to complete the acquisition within a very tight time frame. DCC stepped up to the challenge, finding a reliable partner and a solution that was as spectacular as it was simple: in no time at all, the vast majority of retail station network processes had been moved to the cloud. From forecasting to secure replenishment and Order to Cash cycle, DCC is served out of the Cloud using the Implico Global Operation Services (iGOS).



When the opportunity for a takeover presented itself, DCC had neither in place the IT infrastructure nor the personnel

capabilities of running such a major retail network. But the company's main stimulus to reach success was simplicity. Instead of going through the processes of setting up a complex in-house IT system and hiring personnel – and thus losing valuable time and investing a considerable amount of CAPEX (capital expenditures) – DCC simply chose the option of partnering with Implico and deploying specialized downstream cloud services. iGOS doesn't merely stop at supplying an IT infrastructure but goes on to provide an end-to-end service oriented operational solution for retail network operations supply and billing, with all of the related customer, supplier and financial processes.

while OpenTAS Automated Stock Replenishment (OpenTAS ASR) supplies the retail network forecasting. Using data from tank stock dipping and sales reported by the point of sale (PoS) cash till system, OpenTAS ASR provides a reliable estimate of stock levels and future sales volume for each tank and every retail station, while also calculating the right point in time for efficient replenishment. An integrated portal gives DODO Retailers (Dealer owned, Dealer operated) access to place orders in iGOS, to manage the product ordering demands while executing simultaneously the required credit control.

OpenTAS ASR uses this data to generate corresponding delivery orders for the retail station before sending these to the associated hauliers. The hauliers merely need to process the orders and deliver the products forecasted at the defined point in time. Hauliers pick up fuel from the tank terminals including cross border activities run by supplier ExxonMobil. These terminals are also connected to iGOS. The same applies for the supplier's SAP ERP to retrieve fleet card payments and reconcile purchased fuel orders and to the affiliated

Benefits at a glance 	
Implementation cycle of only eight months	 Only 8 months
All solutions run out of the Cloud-based service model	
Simple IT Landscape iGOS (SAP & OpenTAS) – Pricing Tool – BOS/POS System	
Clear responsibility Communication with external partners lies solely on Implico side	
Clear focus DCC plc on business while Implico on services	
Platform for growth	
Unbeatable total cost of ownership	

### Simple architecture, simple processes

The iGOS components OpenTAS and SAP ERP lie at the heart of the new service. Both run as Software as a Service (SaaS) in the iGOS Cloud. SAP ERP provides the necessary operational business processes,



banks that handle credit card/fuel card billing, receivables and payments. A cloud-based price management system from a collaboration partner is integrated into the overall landscape.

Interfaces and communication to the DCC Partner Network – which are the highest-risk elements in many IT projects and the most consuming part in the daily operations – are handled by the iGOS Collaboration Data Exchange Service, a long-established integration service offering a maximum level of risk mitigation from the perspective of process integration and Business Process Outsourcing (BPO). The iGOS collaboration service integrates the in-cloud processes with other non-cloud systems. The automated processes are supported within the Implico support team by manual intervention whenever required. This enables minimum administration work for the DCC employees to facilitate the delivery of products to DCC customers, while providing crucial communication and operational support to the suppliers.

**Deadlines require roll-out in record time**

During the retail station network takeover negotiations, Exxon Mobil and DCC had agreed a set of contractual takeover deadlines. As is typical for acquisition projects, this tight schedule meant that the project followed a strict change in control (CIC) procedure. Accordingly, the new solution

not only had to be highly capable but also needed to support rapid rollout. This was where the iGOS Cloud really came into its own, since services are available at very short notice. Thanks to its own Infrastructure as a Service (IaaS) and extensive experience in the downstream sector, Implico supported DCC to secure the CIC for the new retail network company in the record-breaking time of just eight months.

**Financial benefits**

Alongside these major time savings, iGOS also means DCC can work from the operational start up within a controlled financial budget. According to the conventional model, the procurement of new software systems and the corresponding hardware necessitates a major capital spend upfront – which can then only be recouped over a long project runtime. Thanks to iGOS Business Process as a Service (BPaaS), DCC benefits from an OPEX (operational expenditures) driven model: costs are spread evenly over all of the months during which the service is utilized. This means DCC can avoid the potential costs associated with CAPEX costs while accurately forecasting its run and operate costs.

**Summary**

After taking over ExxonMobil's French retail network, DCC managed to find a solution for its own network operations in record time, thanks to its collaboration with

the oil and gas downstream experts at Implico. Instead of setting up its own infrastructure in-house and hiring its own back office workforce, DCC chose an innovative, future-proof option and outsourced all of the business IT and back office operations for the network to the iGOS, which runs OpenTAS alongside SAP ERP.

All of the business partners – retail stations, terminals, suppliers and hauliers, banks, POS systems – are connected to iGOS. This enables highly efficient retail network operations combined with a pre-determined Total Cost of Ownership (TCO). The iGOS solution avoided high levels of CAPEX investment, and ensures DCC expansion, scalability, rapid deployment and sufficient control of the OPEX costs.

With iGOS, DCC has now already laid the foundation for future international growth and capabilities to react fast and smart to build their organization as the leading European player in the changing downstream market.



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

**About DCC**



DCC is an international sales, marketing, distribution and business support services group with revenues of £10.6 billion.

DCC operates across four separate divisions, DCC Energy, DCC Technology, DCC Healthcare and DCC Environmental. The Group is headquartered in Dublin, Ireland and employs over 10,200 people in 14 countries.

DCC Energy is one of the leading oil and LPG sales, marketing and distribution businesses in Europe. It supplies about 2,800 retail petrol sites in five different countries.

**About Implico**



As an international consulting and software company, Implico supports oil and gas downstream companies worldwide in optimizing their business processes. The company was founded in 1983. Headquartered in Hamburg, Germany, the Implico Group has subsidiaries in Malaysia, Romania and the USA.

Five of the world's ten largest oil companies rely on Implico's industry experience, consultancy expertise and high-performance solutions. The fast-growing Implico Group currently employs around 200 staff.

110; © Implico. SAP is the trademark or registered trademark of SAP AG in Germany and in several other countries. All other company, product and service names or marks mentioned are the trademarks of their respective proprietors.