

Datel's Sage X3 solution to provide Hargreaves Services plc with platform for international expansion



"Datel have shown a readiness to empathise with our objectives and a willingness to help us become self-sufficient over time. They understand how we operate and we have a very good working relationship."

Marcus Spence
Group IT & Projects Manager
Hargreaves Services plc

Hargreaves Services plc has chosen Datel, its incumbent technology partner, to support its transition to a new business software platform, Sage X3. Among the drivers for the move are the increasing number of system users – the user base has grown from 20 to 92 in just a few years – and greater support for inter-company trading, which accounts for around 40% of transactions. Hargreaves also wanted to eliminate the manual intervention required on Sage Line 500 for these transactions.

The Hargreaves group of companies sources, produces, processes, handles and transports a wide range of bulk materials throughout the UK and across Europe. The company originally sought a new system primarily to support its expansion into continental territories such as Poland, Belgium and Germany. From its head office in Durham, Group IT & Projects Manager Marcus Spence says, "Over the months, we looked at Microsoft Dynamics AX and SAP, but with its multicurrency, multi-language

and multi-fiscal functionality Sage X3 seemed ideally suited to companies that operate across national borders. The more we considered Sage X3, the more we realised its potential for consolidating all our operations, in Europe and the UK, onto the same powerful platform."

Hargreaves also felt that consolidation onto a standardised platform would bring measurable benefits in terms of improving visibility and control through greater integration of financial management.

The Group's activities are managed through four divisions: Production, Energy & Commodities, Transport and Industrial Services. In recent years, the company has undergone massive expansion and diversification through acquisition and organic growth. In 2007, when Datel became its Sage Business Partner, turnover stood at £240 million; it has now topped £550 million. Hargreaves is a long-standing Sage user, having moved up through the range from Sage Line 100 to Sage Line 500.

For Datel, Andrew Pritchard, Account Development Director, comments, "The move to Sage X3 represents a major step for Hargreaves and we are delighted that they have chosen to stay within the Sage range and with Datel. The project is about to take off in earnest and the first phase will be a series of workshops with the different divisions to define their requirements and objectives precisely, so that we can tailor the solution to meet them exactly."

A great advantage in selecting Sage X3 is that the number of consultancy days required to implement the solution is lower than for its rivals. Skills transfer to the Hargreaves team will reduce reliance on Datel and enable internal resources to handle later migrations and customisations independently, cutting costs and saving time when delivering changes to the live environment.

The migration represented a major investment for the company and Marcus points out that Sage X3 was a relatively unknown quantity when

the search for an alternative solution began. So the selection process opened with presentations to Hargreaves senior group management, followed by evaluation by the individual business units. Hargreaves also took soundings from other Datel customers and met with senior Sage representatives to confirm the vendor's commitment to the product.

Providing responsive customer service has been instrumental in Hargreaves' commercial success. Postimplementation, the company expects to gain greater visibility of trading with both customers and suppliers at divisional and group level. Marcus says, "We'll be much better equipped to spot trends and respond in a timely, streamlined way to give our customers the best possible service. We'll be able to share best practice across the group in this and other areas."

Improved reporting on budgets versus actuals, VAT and Intrastat, easier, quicker month end processing, and the ability to share resources are among the other significant business benefits set to be derived from implementing Sage X3. Having a company-wide system should also assist future business expansion.

Marcus explains, "Our intention is not only to expand within Europe but also to extend our reach into new markets such as Asia. Having a standardised, scalable platform will help in bringing new companies on board more quickly and consistently."

About Hargreaves Services plc

Established in 1994 as a specialist bulk haulier, the Hargreaves Group has grown, both organically and via acquisition, into a major force in the supply, movement and management of mineral resources and the provision of support services to the energy and waste industries.

Hargreaves has a resource base stretching across three continents, a fleet of over 400 vehicles (as well as dedicated sub-contract vehicles) based at depots throughout the UK and a support services team capable of managing the largest energy and waste related projects.

