

Success Story

Ambitious Australian winemaker ready to take on the world

DMG Fine Wine makes the case for Sage X3 with consolidated system, improved cost control and faster reporting



DMG Fine Wine owns and operates six vineyards across Australia, crafting exceptional wines under their Handpicked® label. With decades of experience in harnessing regional individuality, their ethos is to share their love of wine while minimising environmental impact.

The company's operations extend beyond vineyard management and winemaking. They now operate an e-commerce platform along with two Urban Cellar Doors in Sydney and Melbourne, which create strong relationships with consumers. The recent launch of their Kiss The Organic® (home of the largest range of the best 100% certified organic wines, spirits and groceries from around the world in Australia), is testament to their expansion plans and commitment to sustainability.

Key outcomes

- Consolidation of 14 entities, including six wineries, into a single ERP platform
- Replacement of four disparate and disconnected systems with Sage X3
- Reduced time to produce consolidated month-end reports
- Improved manufacturing management, production cost visibility and indirect cost allocation
- Integrated Business Intelligence (BI) provides real-time information and insights to improve business decision-making

Company
DMG Fine Wine

Location
Australia

Industry
Food & beverage

Sage Products
Sage X3

Partner
Turnaround Services Global

DMG

About DMG Fine Wine

DMG Fine Wine (DMG) is a winemaker, wholesaler, exporter and retailer of premium wines and spirits.

Sage



Implementing a new ERP system to take business to the next level

DMG Fine Wine (DMG) started as an importer and distributor of a single overseas brand, and over time grew into a vertically-integrated and diversified beverage group. As the business expanded, different and disparate systems were implemented to manage a range of functions including accounting and finance, winemaking and manufacturing, inventory control and sales.

“We grew into a multi-faceted business doing everything from winemaking to export to retail cellar door to e-commerce. Each part of the business had a separate system and we struggled to get a complete and accurate view of what was happening across the business at any point in time. We wanted a single ERP platform to facilitate further business growth”, said William Dong, CEO of DMG Fine Wine.

Helping DMG turn around their business

With rapid growth and a range of different systems that were not working well together, and needing consolidated and integrated financial management and reporting, DMG went to market to find an ERP system to meet their needs.

Having shortlisted systems from three alternative global vendors, DMG chose Sage X3, implemented by Sage partner Turnaround Services Global (TSG). With no previous experience using an ERP system, DMG needed an experienced team to work with.

Winemaking and wine distribution can be very complex, so they looked for a partner who understood their industry. In addition, they needed a local partner based in Sydney to assist during the transition and change management program. TSG ticked all their boxes.

Sage X3 also offered a lot of ‘out-of-the-box’ functionality that required little to no customisation during the implementation phase, which was very appealing to DMG.

“For us, the decision to go with Sage X3 and TSG was quite easy to make based on the quality of the team, their experience and also the overall value the solution provided”, said William.



Sage X3 is a single, integrated ERP system that brought cohesion to DMG.

A single cohesive system

As DMG evolved to owning and managing vineyards and winemaking operations in various Australian states, exporting wine to overseas markets, running retail cellar door operations and managing e-commerce sales, the various systems that had been implemented for individual functions became unwieldy and prevented accurate and timely reporting.

In addition, a range of different operating entities within the accounting and financial system needed to be consolidated for reporting – something that was previously very difficult with disparate and disconnected systems.

In Sage X3, DMG found a single, integrated ERP system that brought cohesion to the business.

Better reporting, delivered much faster

Month-end was an arduous process at DMG before moving to Sage X3. In fact, completing the month-end reports often took most of the next month, so this was a never-ending and time-consuming process for the DMG finance team.

And given that information had to be manually aggregated from different systems that didn't talk to each other, accuracy of reports was also an issue for the DMG management team.

Now, consolidated reports across the various entities and operations of DMG are delivered in a timely manner to provide an accurate, real-time view of the entire business. Time saved preparing reports can now be spent managing business growth as DMG continues expansion into new segments and sectors.

A system that addresses the complex needs of the wine industry

While drinking wine can be a pleasurable experience, making it can be anything but! Winemaking is a very traditional craft, with its unique inherent complexity. Adding to this are regulatory and compliance requirements, along with the calculations and payments for the Wine Equalisation Tax (or WET as it is known in the industry).

DMG has a decentralised winemaking business with six vineyards located all over Australia. Sage X3 has helped to centralise purchasing and cost management to provide more control over inputs and costs with to help improve quality and visibility.

Improved visibility drives better and faster business decisions

Implementing Sage X3 has provided unprecedented visibility to the management team at DMG. Improved allocation of direct and indirect costs provide clarity for each vineyard, along with real-time reporting for better cost control.

DMG has also utilised the integrated Business Intelligence (BI) features of Sage X3. Having a more accurate picture of production costs in real-time allows the management team to make better business decisions, faster than ever before.



“Sage X3 provides simple and timely consolidation and reporting across the business, so we now have accurate and real-time information to make better decisions faster.”

William Dong
CEO, DMG Fine Wine

Toasting a successful turnaround and a sparkling future

Sage partner TSG played a critical role in helping DMG move to an integrated ERP system. Beyond system configuration, TSG was heavily involved in the change management program that accompanied the implementation of Sage X3.

The process was challenging given it was undertaken during the COVID-19 pandemic (with associated lockdowns and travel restrictions), and rather than transition one entity at a time, 14 entities were moved to Sage X3 simultaneously.

TSG has many years of experience working in the winemaking and manufacturing industries, along with unsurpassed expertise in implementing Sage X3 as an ERP solution. Working in partnership with DMG from system selection to purchase to configuration to training to change management, TSG has helped DMG simplify their business and get set for future growth.

“TSG offered the expertise and support we needed when we decided to implement Sage X3 as our first ERP system. Beyond system set-up and training, where they really excelled was in helping us evolve to more efficient processes, and guide our change management efforts as we transitioned from legacy systems”, said William.



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