Transformation on tap for Molson Coors

Client name: Molson Coors Brewing Company

Location: Denver, Colo.

Industry: Consumer Packaged Goods

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Challenge
- Fully integrate the MillerCoors branch of the company
- Realize $35 million in IT savings over 3-year period
- Perform transformation while maintaining operations and keep the business moving forward

Solution
- DXC transformation planning and management
- Managed services for VMware virtual environment
- Service management with ServiceNow

Results
- Improved response with consolidated service desk
- Gained flexibility with SharePoint and email services in the cloud
- Transformed legacy infrastructure with managed cloud services

Barley, hops, yeast and water. It's a simple recipe that's been followed for millennia to brew one of the world's most popular beverages — beer. The business of beer, however, is anything but simple.

Competition in the beverage market exists at the global, regional and even the neighborhood level. Shifting consumer tastes dictate which beer styles are in fashion at the moment, which means brewers must be constantly attuned to the market

and ready to address emerging trends. That adaptability has been affected by consolidation that has reshaped the industry over the past several decades. Mergers and acquisitions among brewers have created truly global enterprises.

With 17,000 employees and facilities around the world, Molson Coors Brewing Company is one of the giants in this industry. Joe Hageman, the company's VP of IT transformation management, says the company's investments in digital systems are aimed at helping it fulfill its vision. "Our purpose is to delight the world's beer drinkers, and our ambition is to be first choice for consumers and customers," he says.

A solid foundation

Hageman is leading the brewer's efforts to fully integrate the MillerCoors branch of the company, a business unit of the company first formed in 2008 and wholly acquired in 2016. Overall, the company has pledged to reduce expenses by $600 million from merger savings, and Hageman's group is responsible for a sizable chunk. "For me, success is driving our synergies from this IT program with the integration of MillerCoors," Hageman says. "We had 3 years, from 2017 to 2019, to get $35 million in savings out of IT."

A critical component was integration of legacy and SAP applications. Undertaking a job like that has special challenges because, as Hageman notes, you can't exactly stop making beer to perform an upgrade.

"The critical challenge we face has been around the fact that the business doesn't stop, so we have to do all this integration at the same time the business is moving forward. There's a major systems implementation that is still occurring at MillerCoors, the U.S. business, to get all of our distributors on one ordering system," Hageman says. "So, we've had to work really hard at making sure we don't impact that major initiative while we were doing our integration."

To move the project along as smoothly as possible, the company created a transition management office, which Hageman oversees. This group is responsible for following the status of projects, tracking and communication issues, and identifying and resolving risks before they create major problems.

Shifting to managed cloud

The group has accomplished a lot, Hageman says. "We've gotten to one service desk overall for the company, which includes desktop support, PC refresh and one IT service management system, which is ServiceNow. We have migrated all of our Molson Coors systems from the old infrastructure onto the new DXC managed services for VMware private cloud," he says.

> "DXC has given us the credibility on a day-to-day basis to support our business and our systems. That's helped us keep the business focused on making, shipping and selling beer."

— Joe Hageman, VP of IT Transformation Management, Molson Coors Brewing Company

To ensure a solid digital foundation for change, Molson Coors chose to move its legacy infrastructure to DXC Managed Services for VMware, a complete cloud solution integrating hardware, software and services into a dedicated enterprise-grade cloud.

"We've transitioned all of the MillerCoors support over to DXC Technology," Hageman says. "We've transitioned all of our SharePoint and email environments up to the DXC-managed cloud. We've updated all of our Active Directory domain environments to all the latest release levels. We are migrating all of our MillerCoors systems to the new VMware environment."

Hageman says another major factor in the transformation success is the partnerships it has with companies such as DXC. As a key integration partner since 2001, Hageman says DXC's digital transformation services have been instrumental in helping keep the initiative on schedule, especially in the eyes of leadership. "DXC has given us the credibility on a day-to-day basis to support our business and our systems, which has helped us to then partner with our business on more strategic items. That's helped us keep the business focused on making, shipping and selling beer," he says.

Because the two companies have worked together for nearly two decades, Hageman feels DXC knows its needs as well as the company itself does. That means DXC is able to help it identify the right resources for each step in the transformation and can help the company plan and execute effectively. The payoff, Hageman says, is a transition that's gone well so far with no major issues.

Although integration is Hageman's main focus now, he says the impact of digital technologies is being felt throughout the industry and it's one of the reasons he's excited to be in the business. In particular, he sees technology reinventing the relationship between consumers and companies; a reality that Molson Coors will need to consider as it fulfills its aim to "delight" customers.

"There are lots of things going on around online ordering and delivery of beer, so we need to make sure we're playing in those areas. Then there's the field of AI [artificial intelligence], analytics and robotics. We need to make sure we keep up on those to help us with our efficiency and our scale going forward," Hageman says. "I see DXC working with us on just about every major initiative that we have."

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