

# Project Vanilla Business Update

Last June 2019, we explained on [Colart News](#) what was the Vanilla Project (here link). As a reminder, Project Vanilla eliminates CIHL from the flow of products and in so doing creates a direct financial and operational flow between the manufacturing entities (e.g. Colart Le Mans) and the distribution/sales entities (e.g. Colart Italy). As such the project touches many parts of the Colart organisation.

Since the last communication, a lot of work has been done by the different teams across the business and the launch is now in 2 months' time. Project Vanilla supports Colart's strategy to make things simpler and is a high priority to the business. Therefore we require your further attention and please ensure that everyone at Colart is aware and ready!

## What happened since last update?

**Business:** after internal discussion with different departments, **the Vanilla Go Live date is set to the 6th of January 2020**. In addition, it was decided to definitely separate the **Lot Control Management** project from the Vanilla Project and Elise Barbot has been allocated as Global Project Manager to lead it. Elise will contact the relevant stakeholders to continue the project investigation and plan the next steps to implement this top-priority project for the company. If you want to be involved, please contact her directly.

**Le Mans:** the new flows without CIHL proposes that Colart Le Mans SA remains a primary manufacturing entity – only servicing a French LBU (DC9), **now newly created and called Colart Europe**. The finished goods manufactured by Colart Le Mans SA are automatically pushed to DC9 who owns the stock. As of today, Colart Europe will then serve the others DCs and the European CBU, with products from Colart Le Mans SA, the others group entities (CTAM, Snaz, Crown) and from the external suppliers.

**Finance, Operations and Tax:** have worked together to define how standard costs, financial accounting rules, and transfer pricing align together in the new Vanilla world. In short, progress has been made on: future detailed transaction flows, required mark-ups between entities, royalty rates and management recharges, currency of future transactions, Standard costing methodology on Day 1, and going forward, Required AARO accounts for reporting. Group finance have scheduled **3 further calls with the finance community to ensure adequate preparation, alignment and understanding - on 14 November, 28 November, and 12 December**. Please contact Mark Nisbet if you are not invited to these updates and would like to be included.

**Supply and Operations:** has planned and organised the cutover from an Operational side with the DCs and Manufacturing sites.

**Procurement:** is currently advising all suppliers and freight forwarders on the company change and the ways of working for open PO's.

**IT:** is finalising all the changes in the system due to the elimination of CIHL. **The last UAT (User Assigned Testing) is planned on w/c 18th of November 2019 in Piscataway, Kidderminster**

**and Le Mans** to final test all business processes and changes before the final launch. Communication has been sent to the relevant stakeholders and IT will be supporting these activities on-site. The outcome will be communicated back to IT in order to consolidate any issues to fix and to assure a great go live on the 6th of January.

**Commercial:** got the answers to all their questions and the Commercial Directors have informed that there is no need for a template or group communication and they will manage this locally for their own customers.

### **When is Vanilla launch and what will happen?**

The date for Vanilla project launch has been agreed as following: **stop the system on 31st of December 2019 and cutover on 1,2,3,4,5 January 2020 and Go live 6th of January 2020.** The cutover will require 4 days (from the 2nd of January to 6th of January 2020) **with no activity in every divisions which are working with M3** to allow for the different stakeholders to implement the new system. **As an example, this means no declared production in the factory in Le Mans, no goods reception or deliveries in the warehouses.**

There will be 4 main key time: **pre-cutover, cutover, go-live and post-go-live** activities to the production system to implement Vanilla across the company. The list of participants has been shared by IT with their expectations during these different stages and we need the full support of everyone during these stages.

### **Who can you contact if you have questions or something is unclear?**

A project team is meeting every 2 weeks to ensure the whole business is aware of the scope of the project, aligned on the project progress and action plan and can raise and solve any risks/challenges/opportunities in order to be ready for the cutover planned the 1st week of January 2020. The people below represent you during these bi-weekly meetings, so please feel free to contact them directly if you have any specific questions or concerns you would like to raise. You can send your questions/comments as well to: [news@colart.com](mailto:news@colart.com)

**PROJECT MANAGEMENT:** Marine Hammer

**GLOBAL IT:** Claudio Toledo, Eric Cook

**GLOBAL FINANCE:** **Mark Brown, Mark Nisbet, Mike Fishburn, Liam O'Sullivan, Philippe Chauvin, Mark Triano** and Stephanie Casertano

**GLOBAL LEGAL:** Sarwar Zaman

**GLOBAL SIOP:** Bruno Lebourdais

**LE MANS SITE:** Dominique Murzeau

**GLOBAL PROCUREMENT:** Gregory Malet

**GLOBAL REGULATORY:** Jennifer O'Brien

**UK OPERATIONS:** Paul Woodward & Shane Williams

**US OPERATIONS:** Sanjay Marwaha

**COMMERCIAL:** Jasper Van Der Wurff

Mark Barratt, Toby Russell and Jonathan Spight are the sponsors for the Vanilla project and the project progress is reported to them on a monthly basis.

We now wish the best of luck to the team to implement these changes as smoothly as possible for the business.

Best regards,

Marine Hammer

**Project Manager Vanilla Project**