

# The Essential CIO

Insights from the  
Global Chief Information  
Officer Study

## Allied Beverage Group

### *Building a consolidated architecture*

---

### “In our market, regulatory impact

is significant, precluding various forms of competition that are commonplace in most industries. Innovative IT is critical to achieve a competitive advantage through excellent B2B customer service.”

**Brian Margolies**, CIO,  
Allied Beverage Group

---

Allied Beverage Group is New Jersey's biggest wholesale distributor of wines and spirits. Formed from a three-way merger in the late 1990s, the group is now among the ten largest such distributors in the United States.<sup>1</sup>

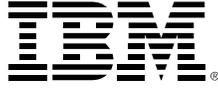
In a marketplace where superb customer service differentiates, Allied needed stronger technology with which to compete. As Allied's predecessor firms each brought its own technologies, this served to fragment and disintegrate IT systems and the organization.

So, when Brian Margolies was brought in as the organization's first CIO in 2009, he immediately launched a 90-day review to find out what worked and what didn't. This resulted in a three-year, fully aligned, strategic IT plan. With Board support, he's realized nearly all his goals “on time and under budget” in only two years.

He consolidated most IT resources and applications in a shared services center, overhauled the network infrastructure and instilled much more discipline in the IT function, reducing system downtime from up to one hour per week to greater than 99 percent availability. A new self-service e-commerce portal is designed to transition the sales staff toward consultative selling and increased revenue, and even won an award for technical innovation.<sup>2</sup>

What's next on the list? Margolies wants to enhance the e-commerce engine with Web 2.0 capabilities and integrated content useful to supply chain partners, move to electronic proof of delivery and use predictive analysis to manage Allied's inventory.





---

© Copyright IBM Corporation 2011

IBM Global Services  
Route 100  
Somers, NY 10589  
U.S.A.

Produced in the United States of America  
May 2011  
All Rights Reserved

IBM, the IBM logo and ibm.com are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both. If these and other IBM trademarked terms are marked on their first occurrence in this information with a trademark symbol (® or ™), these symbols indicate U.S. registered or common law trademarks owned by IBM at the time this information was published. Such trademarks may also be registered or common law trademarks in other countries. A current list of IBM trademarks is available on the Web at "Copyright and trademark information" at: [ibm.com/legal/copytrade.shtml](http://ibm.com/legal/copytrade.shtml).

Other product, company or service names may be trademarks or service marks of others.

References in this publication to IBM products or services do not imply that IBM intends to make them available in all countries in which IBM operates

#### Notes and Sources

- 1 Allied Beverage Group Web site. <http://www.alliedbeverage.com/>
- 2 Strategic Business Systems press release. "Strategic Business Systems wins the '2009 Power Systems Innovation Award: Best Web Solution' from IBM and COMMON for PHP Web site on IBM Power System i." <http://www.sbsusa.com/news/PDFs/IBM-Power-System-i-Web-Solution-Award-from-Common-2009-for-PHP-based-Website.pdf>



Please Recycle