

# Plan4Demand Profiles— Food and Beverage Industry



Focus on *business control*, not *damage control*.

***Your supply chain problems aren't like other people's.***

Because when FDA authorities ask which facilities processed specific lots of lettuce, beef, or beverage, your need for real-time visibility into inventory is ***far more critical*** than someone's whose company makes and moves sweaters or half-inch bolts.

***Criticality of freshness. Date-sensitive inventory. Lot tracking.***

Plan4Demand consultants aren't ***just*** supply chain experts; they're ***process specialists*** with ***deep experience and insights into your industry***. They've led supply chain improvement initiatives for the world's biggest names in consumable goods:

- Birds Eye
- ConAgra
- Diageo
- Heinz
- Nestle Waters
- PepsiCo
- Sara Lee
- Unilever

**Our knowledge not only spans the supply chain**—from planning and production, to inventory and transportation—we offer a breadth of expertise, services, and solutions fine-tuned to target your pain points and drive tangible value to your bottom line

***Plan4Demand partners ensure excellence in your industry.***

## Transportation Management

You can't improve what you can't measure.

### Transportation Reporting/Scorecarding

- Harness operational metrics to improve performance and drive out costs.

That old saying rings particularly true in the world of transportation management, where the nonstop race to meet daily deadlines—coordinating logistics among multiple carriers, warehouses, and production facilities—makes it easy to lose sight of bigger goals, such as improving operational efficiency to help increase overall profitability.

That's what happened when business leaders with this **Global 500 consumer packaged foods company** set out to capture real-time data and create actionable reporting tools

while implementing a complex transportation management system. The TMS project required so much attention that the reporting initiative fell by the wayside. Without visibility into substantive metrics that could help them make ideal business decisions on short notice, transport managers were left scrambling to put out everyday “fires.”

With more than 100 shipping locations served by 300-plus carriers, each working under separate contractual terms, the annual cost of operating at subpar efficiency—paying for idle trucks and supplier chargebacks for Receiving delays—was **millions of dollars**.

**“We often encounter business leaders who are so busy maintaining day-to-day operations that they miss tremendous opportunities to drive profitability by making sound improvements in process or technology,”** said Plan4Demand CEO Lisa M. Kustra.

In this case, Plan4Demand's global supply chain specialists created reporting indicies, keyed to our client's major transport sites, that enabled operations leaders to better manage fluctuating shipping volumes, analyze performance trends, and use scorecards to escalate problem resolutions and drive better service contract terms with carriers.



When demand surges beyond capacity that's an opportunity *lost*.

An agile response to the next unanticipated demand wave requires you to understand the causal factors that drive pricing pressures and manage demand at a much higher level.

## Collaborative Demand Planning

### Preparing for Vendor Managed Inventory (VMI)

#### Optimize Forecasting:

- Demand Planning and Forecasting
- Drive consensus among all concerned business partners

Imagine a food processing giant with annual revenue trending toward \$5 billion, a business philosophy rooted in Six Sigma, and operations spanning North America, Europe, and Asia. Hardly a firm with slack in its supply chain, right?

Well, when our consultants assessed the distribution and delivery systems used by this company's consumer foods division, they discovered processes ripe for optimization, particularly in the realm of collaboration and VMI.

**"Many suppliers only start VMI when the Wal-Marts of the world say, 'Do it or take your business elsewhere,'"** says Plan4Demand CEO Lisa M. Kustra. Executives at this company faced pressure from top-name competitors, as well as a host of regional firms. They'd already implemented a successful VMI program with one key customer, but they had minimal support otherwise. And rapid growth was stressing their internal processes.

In addition to spearheading a revealing assessment of this client's supply chain operations, our principal consultant on this engagement (a graduate of the Goldratt Institute's prestigious Jonah Program) developed and presented a customized training course to help employees embrace their firm's complex distribution and VMI systems.

**"We identified not only breakdowns in their processes, but also opportunities for them to make better use of their existing technology,"** he says. **"We helped them develop a plan to migrate toward an extended supply chain—to improve efficiencies through collaboration and consensus-driven processes."** With greater visibility up and down their supply chain, managers were better able to maximize the firm's inventory positions and improve key performance metrics—a key advantage in the food industry.



**People – Process – Technology**

## Future-State Process Design and Validation

Fixed-time/Fixed-price projects minimize the risk for FORTUNE 500 firms.

### Plan4Success:

- S&OP
- Fulfillment and Deployment (DRP)
- Detailed Plant Planning (Finite Scheduling)

Businesses don't become market leaders by making rash decisions. So it's no surprise that executives of this food-processing corporation, with its hundred-plus year history, favored Plan4Demand's fixed-time/fixed-price (FT/FP) approach to recommending supply chain improvements.

**"There's no long-term benefit in just 'pushing' software,"** said P4D CEO Lisa M. Kustra. **"The value we add is helping clients first make sure their people are prepared and their processes are structured to get the most from technology."**

This **people—process—technology** approach can yield huge benefits, especially for multibillion-dollar companies like this FORTUNE 500 firm, which can reap tremendous savings from even minimal improvements in service levels. But there's equal risk in proceeding with such initiatives without first **truly validating the prospects of success.**

In this case, business leaders sought help selecting an advanced planning and scheduling tool to streamline operations and services across three broad areas. Working within the narrow time/budgetary confines of this FT/FP engagement, Plan4Demand's team rapidly developed standardized, future-state processes designed to achieve those goals by improving targeted supply chain operations.

They produced a solution road map that served as a high-level project plan, detailing and validating the implementation strategy, technology architecture, and resource/training requirements. And their Organizational Skill Survey identified an action plan for bridging existing skills gap and supporting future-state processes.

P4D's groundwork helped this client validate its software choice and jump-start implementation.



**"Customized training adds tremendous value because it helps people understand and appreciate the implications of their actions on supply chain operations, particularly in a global enterprise."**

—Lisa M. Kustra, CEO, Plan4Demand

## Leverage our expertise to drive success in your supply chain.

Contact Plan4Demand's global supply chain specialists to discuss our proven abilities to help increase profits for *your* business.



### People—Process—Technology

By first collaborating with your **people**, we jointly determine the best ways to optimize your business **process** requirements. Only then do we move forward with the right **technology** to help you achieve your bottom-line goals.

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