SOFTENGINE SAP BUSINESS ONE CUSTOMER SUCCESS STORY

Easy Foods

No more paper. No more headaches. SAP Business One and Softengine resolve persistent inventory and production issues for Easy Foods, Inc.

Quick Facts

Name: Easy Foods, Inc.

Location: Doral, Florida

Industry: Food Service

Products: Premium Baked Mexican Foods, Support Services for Retailers and Distributors

Website: easyfoodsinc.com

SAP Industry Extension Solution: Softengine Food One, Warehouse Management System (WMS) and Boyum: Usability Package

With an enhanced ERP solution, Easy Foods' production processes run at optimal efficiency and inventory costs are under control.

Easy Foods maintains a state-of-the-art facility filled with top-flight production equipment, automatic rejection systems and its own R&D lab and test kitchen. The company also provides private label manufacturing, co-packing, customized branding and sales and marketing support to retail customers, including Goya Foods, the largest Hispanic-owned food company in the United States. Easy Foods has its own proprietary brands: Tacomex (flour tortillas, corn tortillas, wraps and corn chips) and Vedgee (flavored wraps).

"We were basically a pen-and-paper operation. We used spreadsheets for nearly everything – receiving goods, programming the production schedule and listing all the raw materials needed to fulfill production for a specific order, just to name a few."

**Juan Pablo "JP" Viejo
Chief Operating Officer**

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Challenge

A sea of paper overwhelms staff and brings widespread inefficiencies.

With 250+ SKUs, Easy Foods incorporates a complex production process that requires production and warehouse facilities to stay in sync. Tangential concerns such as tracking lot numbers, monitoring expiration dates and generating product-specific labels demand tightly integrated and automated systems.

In the early days, Easy Foods' management and staff struggled mightily to manage all of these business processes with just a basic accounting package and countless spreadsheets.

Trying to keep inventory counts up-to-date and accurate was problematic and time-consuming. Staff had to manually enter inventory data into the accounting program and that often led to discrepancies in inventory counts that took forever to find and then adjust. If a recall had been initiated, staff would have been hard-pressed to trace all the raw materials back to the source. Furthermore, security was nearly nonexistent as there was no audit trail available to track any unauthorized edits to existing entries. Sweeping changes were clearly needed.

Solution

SAP Business One and Softengine Food One solve production, inventory control and reporting challenges

Easy Foods called SAP to get a suggestion for a business partner to implement an SAP Business One solution and SAP recommended suggested Softengine, an SAP Business One Gold Partner located near Los Angeles.

Softengine sent out a project manager to learn about Easy Foods' unique business processes. Easy Foods management were delighted to learn of Softengine's extensive background with manufacturing companies, which enabled him more accurately assess how SAP Business One and Softengine's Food One extension could help them achieve their objectives.

Easy Foods had a rather ambitious set of goals for the new system including:

Rotations of Raw Materials and Finished Goods — With expiration dates always a concern, SAP Business One can deliver real-time data for raw materials quantities during every step of the production process as well as up-to-the-minute, accurate counts for finished goods. This helps prevent excess spoilage and waste, which drive up costs.

Production Orders — Each production order has an associated "recipe," which involves multiple steps from receiving raw materials to producing finished goods. The ability to account for time, quantities used and any errors that may occur are essential in ascertaining how effectively and efficiently the production process is going on a daily basis. SAP Business One ensures that all of this information is always up to date at every stage of the production cycle.

Traceability of Lot Numbers — With SAP Business One, Easy Foods can keep track of Lot Numbers and Sell by Dates with each inventory-related transaction. The Food One extension enables staff to generate reports that show which Lot Numbers were sold to specific customers and to manage expiration dates, thus providing a complete audit trail in the event of a recall.

Receiving Goods — Softengine Warehouse Management System (WMS) expedites the entire receiving process through the use of mobile scanning devices. The WMS Receiving module allows warehouse personnel to pick received goods from a list of open purchase orders and then create a Goods Receipt by scanning the barcodes.

Softengine customized a number of reports through use of the Crystal Reports platform including:

Freight Profitability Report — Displays freight charges for each customer, compared to actual freight charges paid to freight companies for the same shipments. The data from this report shows whether Easy Foods is making a profit or losing money on freight and is also helpful in day-to-day managerial decision-making.

Production Run Costing Report — Shows costs incurred during production such as labor, raw materials and energy, which helps management set the right sales prices for finished goods.

Labor Cost Per lbs. and Per Cases Produced — Indicates labor hours used against pounds (lbs.) of finished products produced, and against number of cases produced. This data serves as a barometer of efficiency during production.

Inventory Turnover Report — Reveals the turnover ratio for each product, including reorder point and last day of receipt. The ratio helps the production manager decide how much to manufacture and the purchasing manager how much raw material to purchase per order.

Results

Costs are down, production efficiency is up and inventory tracking is real-time and accurate with SAP Business One and Softengine extensions.

With their wish list fulfilled, Easy Foods now has instant access to all the data they need to optimize production, eliminate waste, reduce costs and keep all their data secure.

The new system empowers Easy Foods with comprehensive and instant lot tracing capabilities.

"This is a critical function for us that we didn't have before," added JP Viejo. "We can now trace every raw material back to a single vendor and in fact, we can perform a complete recall just by pressing one button. Before, we had to search through piles of paper to find this information, which was exasperating. Now we can find it in seconds!"

"SAP Business One plus the Food One extension deliver numbers we can trust and that helps us make better decisions. It's such a relief to know that mistakes that used to plague us are now minimal and that we no longer have to worry about security issues because the system makes unauthorized overrides a very difficult proposition. In fact, efficiency has improved to the point that our planning time has been cut in half."

Juan Pablo "JP" Viejo, Chief Operating Officer