



Process Excellence in Action: **Dairy Industries**

**Dairy Industries Milks IDS Scheer's
ARIS SmartPath for Foods Solution
for Industry-Specific Functionality
and Business Process Automation**

"Before IDS Scheer, we did our inventory counts on a monthly basis and the process would take two to three days. We now count inventory on a quarterly basis, and it only takes one day."

Wayne Williams
IS Manager,
Dairy Industries

Organization

Dairy Industries

Industry

Consumer Packaged Goods (CPG)

Challenge

After a global CPG company began selling aggressively in Dairy Industries' marketplace, the company needed to restructure and reduce cost in an effort to remain competitive.

The Solution

Dairy Industries turned to IDS Scheer for its CPG expertise and deployed its industry-specific solution in only four months.

Solutions Deployed

ARIS SmartPath for Foods, a qualified SAP All-in-One solution

Benefits

Dairy Industries has realized quicker accounting and inventory processes, and the company has a better handle on materials management, quality control and production planning.

The Business Challenge

Today, dairy companies face a wealth of challenges, including a weakened global economy and aggressive negotiation by retailers seeking lower prices. To remain profitable, companies must increase efficiencies, reduce costs and meet food compliance regulations across the supply chain.

When a global consumer packaged goods (CPG) company began selling competitively in Dairy Industries' target market, the company needed to move quickly to lower costs in an effort to maintain a competitive edge. After reforming its business plan, Dairy Industries realized it needed an information system that would enable the company to operate at a reduced staffing level and speed inventory processing. To meet this need, the company engaged IDS Scheer.

The Business Solution

Dairy Industries selected IDS Scheer's ARIS SmartPath for Foods, a qualified SAP All-in-One solution, which is based on the SAP Business Suite of solutions and can be tailored for a range of specific verticals. IDS Scheer's ARIS SmartPath for Foods is a turnkey solution that offers built-in content, tools and methodologies for a cost-effective, rapid deployment. IDS Scheer also provided crucial assistance during the on-time, on-budget implementation, which lasted only four months. Dairy Industries purchased the solution from IDS Scheer through the SAP channel partner program, which is designed to meet the needs of companies with revenues up to \$200 million.

Throughout the implementation process, Dairy Industries was simultaneously reengineering the entire company. During this challenging time, IDS Scheer quickly adapted and learned the evolving business culture, understanding the intended goals.

The Results

The ARIS SmartPath for Foods solution has proved to be indispensable for Dairy Industries. Since implementation, the company has experienced quicker accounting and inventory processes. In the past, end-of-month accounts typically took seven to 10 days to process – now, processing time has been reduced to two to three days. Before engaging IDS Scheer, Dairy Industries conducted monthly inventory counts in two to three days – now, inventory counts are done on a quarterly basis in one day.

Since ARIS SmartPath for Foods is based on SAP Best Practices, it enabled Dairy Industries to implement a standard system without modifications, allowing the company to realize lower maintenance costs with less reliance on specialist IT knowledge. The company focuses its operation around SAP Best Practices for sales and distribution, production planning, materials management, financial accounting and controlling.

Dairy Industries has truly optimized the distribution and inventory management capabilities. For example, when raw materials and packaging materials are received, the inventory clerk immediately posts a document updating the inventory. Materials and inventory are then issued to production, converted to finished product, and sold after release by Dairy's quality system.

For Dairy and other CPG food manufacturers, quality control and lot tracking are crucial. With the industry-specific ARIS SmartPath solution, all goods that come off the production line have a lot-tracking number, which is very easy to track in the solution. All product attributes are stored by batch date for quick access to how much product is physically on hand, where it is located, the date produced and when it is ready for release. The IDS Scheer solution has helped Dairy build better discipline across the organization. The system adds accountability to the process with employees now responsible for inputting their data on time.

With the previous manual system, employees would procrastinate and wait until the end of the month to input data. In ARIS SmartPath for Foods, once the transaction is executed, an alert notifies employees of the data necessary to move the process to the next phase.

The Future

Based on the success of the ARIS SmartPath deployment, Dairy Industries plans to implement quality management. Dairy Industries was the first company in Jamaica to achieve ISO 9002 certification, and is currently ISO 9001:2000 certified. SAP quality management will enable increased integration of the company's quality processes in order to better manage ISO documentation.