

For the first time since we implemented SAP I feel confident that I know how to use the system to plan and purchase my materials. I appreciate the company investing in me and the Supply Chain team by bringing in Reveal to help us improve our performance levels.

I now feel empowered to make the necessary changes in the system to meet business demands.

— Southeastern Mills' Buyer/Planner

Southeastern Mills is a manufacturer of food products including soups, breading mixes, hot sauce and gravy. These products are sold to food processors, retail grocers and food service companies. The company has been in business for over 75 years' operating out of 5 manufacturing locations. The company implemented SAP ECC in 2015 with the following business objectives: improved customer service levels, optimize inventory levels, improve production schedule attainment, improve operational effectiveness and reducing operating costs.

CHALLENGES

- Rising raw materials and finished goods inventory
- MRP and its support of purchasing automation not understood
- Production capacity planning and scheduling done outside of SAP
- Inventory strategies and master data not aligned
- Excessive order expediting
- Frustrated users and excessive manual processes
- Customer service levels, not utilizing ATP
- Lack of trust in the system leading to ineffective use of MRP generated production, planned orders and purchasing requisitions
- SAP reporting functionality not being utilized to support business and process performance KPI's
- Not utilizing sales and consumption based forecasts for future planning

SOLUTIONS

- Supply Chain transformation utilizing Reveal's (oVo®) methodology
- Focused on improving service levels, optimizing inventory, capacity and production planning and data visibility
- Education for buyers, planners, schedulers, shop floor and management on existing SAP tools
- Education on managing master data to manage the business
- Established ownership and accountability of master data and aligning MRP strategies
- Incorporated capacity planning, scheduling and leveling inside SAP
- Focus on key materials using standard SAP tools to achieve the highest value return in the shortest possible time
- One-on-one sessions with management and executives to drive management decisions using SAP
- Established Process Aligned Teams (PATs) to address daily supply chain challenges identified through the oVo® process
- Initiated shop floor processes to improve scheduling, capacity and production planning in SAP
- Set KPI's and aligning with strategic business performance measures

BENEFITS

Results after 18 months:

- Inventory reduction of 23%
- Turns improvement of 45%
- Optimized over 83% of average value of inventory
- Improved capacity and material availability accuracy
- Improved schedule attainment and shop floor control
- Improvement in Operational Service Levels
 - Reduced Red Lights by 51%
 - Reduced Exception Messages by 45%
- Simplification and standardization of procurement processes
- Educated and empowered users and management team
- Aligned KPI's to business objectives

