

SAP Customer Success Story Consumer Products – Food and Beverage



“With SAP software, we know that we’re a better-run company.”

Gary Lenaghan, VP Human Resources, Carolina Turkeys

AT A GLANCE

Summary

Carolina Turkeys, a midsize consumer goods company in rural North Carolina, chose the SAP® ERP packaged solution for food and beverage companies to replace its software platform. Assisted by industry expert Deloitte Consulting LLP, Carolina Turkeys was able to deploy state-of-the-art ERP software within 7 months.

Web Site

www.carolinaturkeys.com

Key Challenge

Replace company’s software platform to remove growth constraints imposed by legacy system

Project Objective

Utilize knowledge and experience of the SAP Best Practices offerings that support food and beverage companies to help Carolina Turkeys increase productivity and competitiveness while addressing regulatory compliance requirements

Solutions and Services

- SAP ERP packaged solution for food and beverage companies
- SAP NetWeaver® platform

Why SAP Solutions

- Accelerated time to benefit
- Better-managed risk while taking steps to acquire competitive options
- Rapid, affordable implementation plan
- Desire to go with SAP as proven leader in food and beverage industry

Implementation Highlights

- Deployment of a state-of-the-art ERP packaged solution within 7 months, within budget, and with minimal disruption to operations
- Accelerated deployment due to skilled, knowledgeable internal subject matter resources complemented by external consultants
- Solution that selectively combines Carolina Turkeys’ existing differentiated processes with leading industry practices
- Shutdown of SAP hotline 2 days after go-live due to lack of calls

Key Benefits

- Higher throughput, productivity, and profitability anticipated
- Higher levels of customer service and satisfaction expected
- Improved customer order fill rates and flock-to-customer traceability expected
- Reduction in working capital for packaging and spare parts inventory projected
- Reduction in payroll processing expense projected

Implementation Partner

Deloitte Consulting LLP

Existing Environment

In-house-developed solution

Database

DB2 for AS400

Hardware

IBM AS400 iSeries 520

Operating System

OS 400 v5r3m0

CAROLINA TURKEYS

World’s Fourth-Largest Turkey Processing Plant Chooses the SAP® ERP Packaged Solution for Food and Beverage Companies

Business spikes for Carolina Turkeys at Thanksgiving and Christmas. But despite annual revenues of US\$500 million, the Mt. Olive, N.C., company knew it had to change to keep pace in an increasingly demanding marketplace. The change it faced was not minor: replace its software platform to remove growth constraints imposed by its legacy system.

“Carolina Turkeys is not your grandmother’s turkey company,” says Ed Kacsuta, chief financial officer. “The whole industry has changed and become a much more complicated business. That’s why we needed to change.”

High Pace Required Low-Risk Solution

Maintaining a pace that typically processes 65,000 turkeys a day, Carolina Turkeys is an operation no one would mistake with grandma’s. And yet, as the fourth-largest turkey producer in the world, with timely delivery of 600 million pounds of turkey expected by its customers across the nation every year, it couldn’t risk missing a beat. It wanted its operations transformed rapidly, with the solution tailored to Carolina Turkeys’ needs.



With expertise contributed by Deloitte Consulting, Carolina Turkeys comfortably met the challenge beautifully. Within seven months, it deployed state-of-the-art ERP software based on the SAP® ERP packaged solution for food and beverage companies. Packed with the SAP Best Practices offerings that support the industry, the software helped position Carolina Turkeys to achieve the benefits it was looking for.

SAP Package

Carolina Turkeys chose Deloitte Consulting, a firm with access to in-depth industry knowledge and resources around the world, to help it implement the ERP software, a feat Carolina Turkeys accomplished within seven months. With software pre-configured with the SAP Best Practices offerings that support

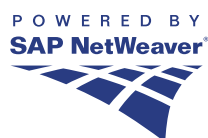
“We were on time, we didn’t miss a payroll, we didn’t miss a closing, we didn’t miss a shipment, and everything went smoothly.”

Gary Lenaghan, Vice President of Human Resources,
Carolina Turkeys

food and beverage core business processes, the company now considers itself equipped to better manage the business and to comply with the new food safety regulations involving procurement, safety, traceability, and yield management. In addition, Carolina Turkeys anticipates improved customer service with better order fill rates and transportation scheduling.

Knowledgeable In-House Resources Tapped to Help Increase ROI

“SAP and Deloitte engaged us from day one in identifying what we needed,” says Mike Bliss, vice president of operations. “The implementation had to meet not only the objectives of finance, but also sales, production, HR, and IT services. Everybody did an outstanding job working together.”



“We were on time, we didn’t miss a payroll, we didn’t miss a closing, we didn’t miss a shipment, and everything went smoothly,” adds Gary Lenaghan, vice president of human resources at Carolina Turkeys.

SAP As Industry Leader, Deloitte Consulting’s Experience, Convince Carolina Turkeys

Carolina Turkeys was certain SAP was the right choice.

“It’s become obvious in the last couple of years that SAP is the major player in the food and beverage industry,” says Ron Wells, MIS director. Adds Bliss, “The ‘ah hah’ moment for us was seeing that SAP had experience in food and beverage, tried and proven solutions, and that the software was flexible enough that we could combine information in a matter of minutes, based on how we wanted to make a particular decision at a particular time.”

Its decision to collaborate with Deloitte Consulting was equally compelling.

“The consultants from Deloitte already understood our industry,” Wells says. “We didn’t have to explain to them the things that make our business different. That helped to put us on the fast track right from the beginning. The dedication of their team to

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Ron Wells, MIS director, Carolina Turkeys

helping us hit deadlines and milestones led to a very good implementation. From the first day we met them, the consultants came in with their sleeves rolled up; they were all about attacking the issues and concerns that we had up front. I really felt from the start that we were going to achieve our desired results with Deloitte Consulting’s help.”

Flexible Reporting Shortens Response Time

The ERP packaged solution covers Carolina Turkeys' entire order-to-cash cycle, with finance, sales, marketing, production, purchasing, human resources, customer service, quality assurance, and maintenance. Real-time visibility across such an integrated systems landscape has helped significantly improve information access and decision making.

“Our previous reporting was generated from the legacy system – MIS would run reports and you would wait in queue,” Lenaghan says. “With SAP, users run reports from their desktops. They

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combine and sort them any way they like and download them to Microsoft Excel spreadsheets. Information access has become very easy.”

With access to relevant, real-time information about customers, profitability, and manufacturing, Carolina Turkeys believes it can operate more effectively and respond quickly and appropriately to change – from the customer, from the market, and from regulatory authorities. “With SAP, we know that we're a better-run company,” Lenaghan says.

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THE BEST-RUN BUSINESSES RUN SAP™



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