

Customer case Stork Food Systems

“Volume growth of 20% feasible due to strong increase in delivery reliability of suppliers”

About Stork Food Systems

Stork Food Systems develops, produces and maintains industrial systems and installations for processing poultry, (red) meat and (liquid) foods. Stork PMT (Poultry processing Machinery and Technology) in Boxmeer is a subsidiary of Stork Food Systems. In Boxmeer they produce among other things poultry slaughter lines. These are complex, customer specific products that require a solid foundation and a network of suppliers. The delivery reliability of these suppliers needed to be boosted as Stork Food Systems was in danger of having its growth curtailed.

For quite some years now the Boxmeer branch has been using SAP's ERP system for their goods flow control. By mid 2009 they intend to roll out this system to four other branches, with support from the Every Angle system. The logistic core of the production of these complex compounded products such

as the Stork PMT machines lies in the final assembly and control of suppliers. For this Every Angle proved to be a powerful tool.

Answers to management questions

Questions the management sought answers to, amongst others, were:

- What parts are missing from the production at this moment and also most probably in the short term?
- What is the status of the show-stoppers in the supply chain and where do we need to intervene?
- Which suppliers are responsible for most show-stoppers?
- To what extent are we the cause of our supplier's unsatisfactory supply performance due to our erratic orders and overloading?
- How can we increase our planning time span to enable us to provide our most important



suppliers with a more regular ordering pattern and thus prevent them from becoming overrun?

- How reliable is the master data (of materials, customers, suppliers, prices, parts lists, information records etc.) in our SAP system and how can we increase the reliability?
- Is the follow-up to the process and order flow sufficiently and accurately updated in the SAP system so that it allows us to take full advantage of the added value the system offers?

Implementation of Every Angle

Since the summer of 2008 Stork Food Systems has used the Every Angle system to address the above questions and exert more control over the supply and planning of parts for assembly. It was decided to go for a company-wide contract, whereby 15 power users make angles for a large number of regular users. The system landscape consists of three Every Angle servers: one for production, one for development and QA and one to support the roll out of SAP.

Every Angle has been implemented for the improvement of data reliability in the SAP system, the management of suppliers and detection and analysis of bottlenecks in the goods flow.

Examples

- **Overviews of the expected overload to suppliers**

This is not only caused by the build-up of purchase orders, but also because of order requests and plan orders, combined with master data concerning the procurement method. This means Every Angle can provide an overview over a more prolonged period to facilitate a timely response.

- **Assessment of the suppliers' service level**

In specific cases it is necessary to take into account the longer transport times for items that are ordered in low-wage countries. Often a supplier cannot be held responsible for delays in the transport over sea.

Results

In six months time Stork Food Systems has managed to greatly improve the delivery reliability of suppliers. This has had a tremendous impact on the production capacity of the plant, which has increased by a total of 20%.



STORK®

- **Frans Faber, Supply Chain Manager:**

“Every Angle is an important enabler of logistic improvements. Every Angle has provided us with a far better overview of the loading of the production and components, which has enabled us to plan more efficiently. This has resulted in a huge efficiency improvement for Stork Food Systems.”

- **Roy Coenders, Competence Center SAP:**

“Simple ad-hoc reports are created directly by the end users with the help of Every Angle. This saves the SAP Competence Center a lot of work creating customised reports and downloads from SAP.”

- **Prioritizing in the event of problems with suppliers**

If because of capacity bottlenecks a supplier is forced to choose between different orders, it is important to make a quick decision about which components have the highest priority. It is necessary to take into account the current stock situation and the assembly schedule.

- **Finding inconsistencies, gaps or errors in the master data**

Examples could be terms of delivery, delivery times, material groups and statuses.

- **Analysing the stock surpluses and shortages**