



**INFOR LN BASED  
BOTTLING SOLUTION  
IMPLEMENTATION  
FOR FOOD AND  
BEVERAGE GIANT**

# FOOD AND BEVERAGES SOLUTION

## Client Overview

Our client is a large retailer and second largest bottler of PepsiCo products; manufacturing, bottling, distributing and selling over 70 million cases per annum of wide range of carbonated soft drinks, fruit juice and bottled water products in the Middle East region. The company is responsible for sales and distribution of more than 120 stock keeping units (SKU's). It has a huge set up of 3 manufacturing plants and 22 distribution centers spread across the Middle East Region. The distribution is carried out via 9 sales channels, using more than 750 vehicles operating six days a week.

## Business Need

With the booming middle-east economy due to the surge in oil prices from 2007, the demand for bottled drinks began to skyrocket. Our client saw a significant and sustained surge in their business which resulted in constant expansion of manufacturing plants, growing sales regions and sales force and increase in stock keeping units to service this growing market.

Our client realized that there was a strong need for streamlining their existing business scenarios on a real time basis. The current legacy system which had multitude of diverse and unconnected systems and databases was falling short of the business requirements. There was a definite need to shift from these stand alone legacy systems to an integrated ERP system which could meet not only today's business requirements, but also the future growth in business. Need for a comprehensive reporting, analytical and decision support environment was also acutely felt.

## Xoriant as a Solution Partner:

Our client was looking for an enterprise consulting company which had experience providing solutions to companies with similar problem sets in the areas of sales and distribution, services and manufacturing, taking into account goods delivery through complex distribution channels and large number of product variations. Our client wanted a partner who could not only suggest an industry standard solution adaptable as company's business changes, but who could also implement the solution in a timely and cost-effective manner and provide after-implementation maintenance at a reasonable price point.

Xoriant's product consulting practice comprising consultants with experience in implementing similar solutions in multiple domains made us an ideal partner for our client. Xoriant consultants evaluated the

client needs and suggested Infor LN 6.1 as an ideal product for our client to integrate their business processes on. Infor LN 6.1 is ideal for discrete manufacturing involving multiple SKU's, distribution and services. Infor RoutePro was also chosen to plan and optimize the logistics. Xoriant not only has a solutions partnership with Infor, but also has industry-specific frameworks, methodology, trainers and teams of consultants to enable our clients adopt Infor products for optimizing their business processes.

Xoriant's technical, functional and project management teams were chosen to analyze, implement and customize Infor LN 6.1 based solution for our client.

## Business Challenges and Systems Implications:

With significant increase in business volumes and number of personnel to support those volumes, our client was facing tremendous pressure to tighten control over the operation. Some of the challenges and business requirements of our client were:

### Sales Side

- Improve sales order processing operations efficiency to meet the business growth by using integrated solution that will reduce cycle time
- Integration of Infor LN with Handheld solution
  - o Traditional sales transaction of booking direct and indirect sales orders generated by the customer representatives needed to be integrated within the handheld devices, which were carried by the delivery drivers
  - o In situations where the order was booked on the basis of customer credentials and cash collected by the customer representative, the challenge was to make the customer and sales data residing in Infor ERP LN 6.1 available on the handheld
- For better analysis, consistent classification of the products on the basis of parameters like price, item group, product line, product type, product class set was necessary
- There was significant increase in business volumes and work force to support these volumes. Hence our client was facing tremendous pressure to improve operational efficiency
- Our client routinely ran promotions where customers who bought certain number of goods in a specific time period were entitled free units of selected items. These free goods needed to be excluded from computations of sales quantity. These promotions had to be integrated in handheld devices.
- Key decision makers faced the problem of delayed and inaccurate data due to decentralization of data storage. Challenge was to get the data processing accurately and quickly for day to day business activity
- A comprehensive commission scheme had to be customized to meet the client's commission system to the sales team

- Real time business reports on field sales and development of analytical engine

## Manufacturing Side

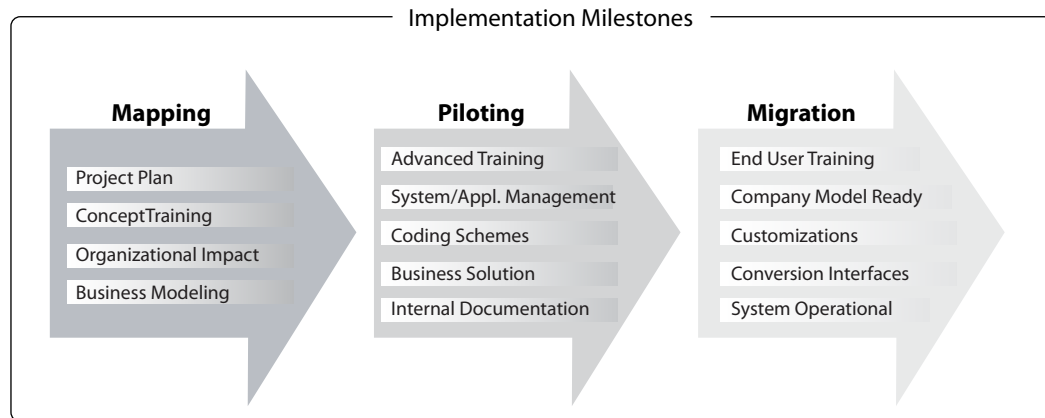
- Increasing demands of customers generated through direct sales and indirect sales necessitated a formal demand planning process represented by a well tuned manufacturing resource planning module to identify the optimum use of manpower, material, machinery and capital
- Our client wanted to have SOP (Standard Operating Procedure) in compliance with the Regulatory Authority incorporated into Infor ERP LN 6.1.
- Our client faced inventory losses due to non reconciliation of scrap, raw material and finished goods in the existing system. Challenge was to improve the productivity and hence the profitability
- High number of SKUs created under or overshooting of specific items with respect to the specific demand, thus creating lost revenue or extra inventory situations
- Our client wanted to find the item and the quantity that needs to be loaded to a particular truck. The warehouse supervisor used his personal judgment to suggest this by finding the area the truck covered

## Finance Side

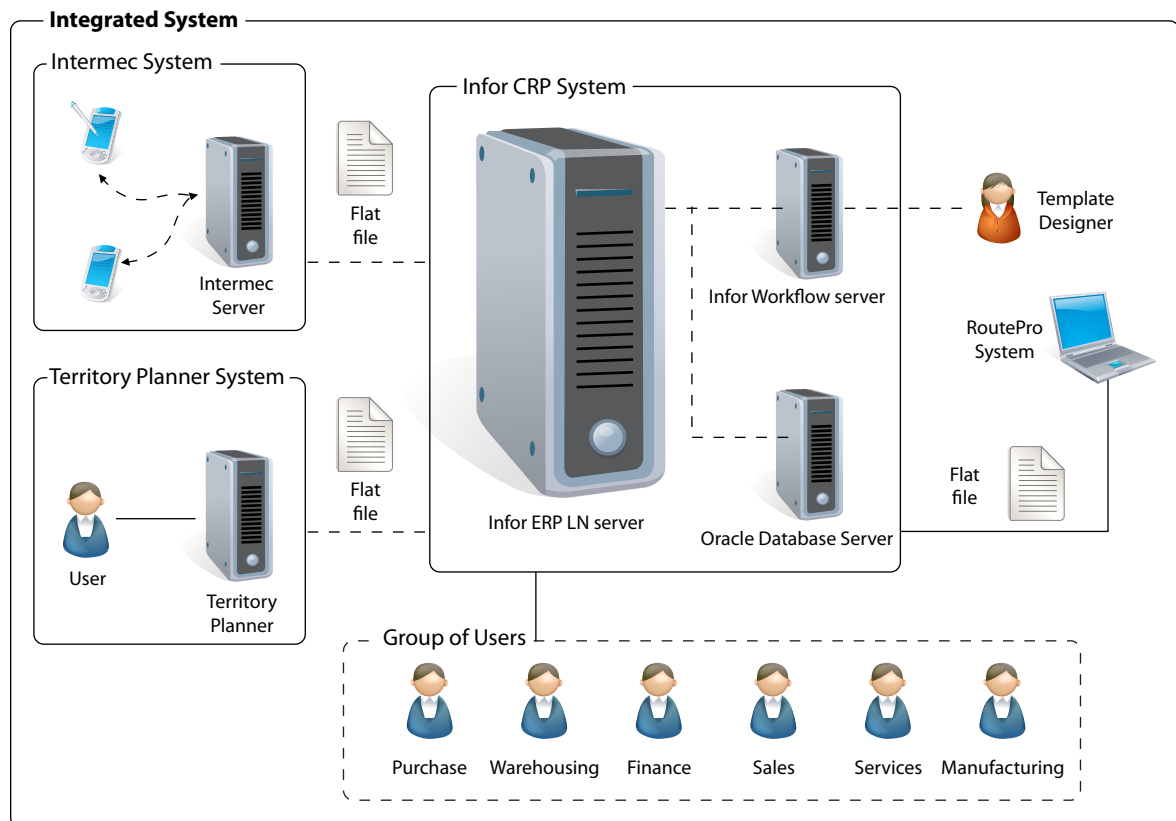
- The receipt of cash from the customer representatives & the approval of the same were done using the cash anticipated receipt method. This was a standalone process & was done using manual Excel sheets on a daily basis. There was a need to improve financial operations
- The other challenge was creation of assets in Fixed Assets module especially when the coolers or refrigerators were purchased in bulk quantities (1000's) where numerous manual entries had to be made.

## Xoriant's Contributions in the Engagement

Xoriant's functional teams interviewed key stake holders in our client's Sales, Manufacturing, Services, Logistics, Finance and General Management organizations to document their existing processes and their current business challenges. A detailed functional and process blueprint of their proposed state was drawn based on where the leaders in these functional units saw their operations heading toward. This was compared with what Infor LN 6.1 offered out of the box. From the gap analysis, Xoriant's team came up with a configuration and customization plan, which was approved by our client. A detailed personnel plan, project plan and schedules were drawn and finalized after several rounds of consultation with our client. Execution involved functional specifications, detailed technical specifications, detailed implementation plan, test plan and user training plan. Daily functional meetings and weekly steering committee meetings were conducted.



### Overview of Implemented System Architecture at (Customer)



### Key Implementation Phase Aspects: Sales Side

- The data transfer amongst Infor LN, RoutePro and handheld devices was perfectly integrated. This was the most challenging task faced by the implementation team. An interface was developed in Infor ERP LN for receiving, sending and processing integration files. Using this interface, the data transfer amongst Infor ERP LN, RoutePro and handheld devices was

performed. The integration between handheld device and Infor ERP LN required perfect mapping of data fields, import and export of required data at the same time ensuring that upload and download times remain within acceptable limits. Some specific results were:

- o Generation of business order through the handheld was enabled
- o Centralized data was made available in new system and had tight integration with the handheld devices, which resulted in timely availability of data to the decision makers
- Product variants and product mix with extensive promotion strategy were well identified and mapped to proposed Enterprise Application System
- Reconciliation of sales output was well integrated in the new system resulting in accurate product costing and actual vs. estimated cost analysis
- Inventory planning was improved to handle rush orders, faster reconciliation of stocks, which resulted in effective production planning
- Complex sales strategies and large SKUs were mapped in the new systems which resulted in increased sales turnover

### Manufacturing Side

- Better shop floor planning resulted in better utilization of organization resources
- Quality standards were well defined to deliver products with highest level of purity
- Reconciliation reports for raw materials, finished goods inventory and scrap rejection percentages were made available in real time, which resulted in higher productivity
- Access to multiple sessions for Data Entry, Graphical Board Framework, Dashboard and Dynamic Enterprise Modeler resulted in higher productivity and ease of use
- The customers were divided into routes in such a way so that there was no stock-out for any of the customers. To find the route of the customer RoutePro was used. This data was feed into the Infor LN system to calculate the Load Advise
- To overcome the issue of finding the quantity of item to be loaded to a particular truck, Load Advise was suggested. In load advice the system would pick the last six weeks sales history for the customers of the route and calculate average sales. Than the warehouse supervisor fine tuned the load and created the warehouse transfer order from the normal warehouse to van

### Finance Side

- Earlier the cash settlement process was a standalone process and not integrated with Finance. The Finance module was customized using Cash Anticipated Receipt method. This was used to reconcile the Infor LN actual account statement
- Customized fixed asset entities were created so that multiple fixed assets could be stored under each entity with a special field to denote the number of those assets grouped under that entity. This reduced unnecessary data entry.

## Benefits to Client

Xoriant's effort resulted in a more optimum and better documented business process, an integrated ERP system and more accurate and real-time reporting for our client, thus resulting in less wastage, higher productivity, more sales and higher profitability. Some specific benefits were:

- Much reduced number of and better definition of SKU's, thus reducing both wastage and lost sales, thus increasing profitability
- Totally integrated solution from order to cash integrating sales, route planning, manufacturing, QA, procurement, warehouse, maintenance, costing and finance. Now the accounts can be closed in a day or two after the month end as opposed two weeks earlier.
- Cost reduction due to better synchronization of production output with inventory
- More efficient planning due to coordination of the manufacturing plants and distribution centers
- Reduction in data entry duplication and errors by seamless integration of the handhelds carried by customer representatives and delivery drivers with the enterprise ERP system
- Delivery compliance improved by 20%, inventory turns improved by 30%
- Full visibility from procure to pay and demand to supply due to formalized supply chain planning
- Enhanced real-time cost control due to accurate inventory cost calculations
- Plan was optimized to handle 15% growth in SKU's
- Solution is scalable to handle business growth and ready for use in multiple locations

### Client Testimonial

Infor LN has proven itself to be the ideal solution due to its advanced functionality. It is a valuable tool integrating the activities of all involved.

We can accurately measure our performance almost in real time and we have complete control of all our processes. I would like to acknowledge the remarkable efforts of all Xoriant team members for helping us make this implementation a success.

- CIO