



AT A GLANCE



INDUSTRY

Fast Moving Consumer Goods

BUSINESS OBJECTIVE

- Integrate invoicing system with the systems of major partners

SOLUTION

- Flow Software

BUSINESS BENEFITS

- Elimination of manual paperwork
- Rapid and accurate dispatch of invoices
- Improved reliability
- Faster Invoice to Cash process

FOR MORE INFORMATION

Flow Software

W: www.flowsoftware.com

E: info@flowsoftware.com

T: +64 9 476 3569

EDI delivers multiple benefits for growing FMCG business

Written in October 2018 by Flow Software

A SEAMLESS INTEGRATION WITH ITS MAJOR SUPERMARKET PARTNERS NOT ONLY SOLVED A DATA ENTRY HEADACHE FOR SPECIALTY FOOD SUPPLIER BLUEROCK, IT ALSO IMPROVED THE COMPANY'S SERVICE STANDARDS.

Since 2000, FMCG company Bluerock has sourced and distributed food products to both the retail and food service channels across New Zealand. With a focus on quality, value and consistency of supply, the company represent a large range of local brands as well as products sourced directly from suppliers around the globe.

Today Bluerock is part of the Sulkem group of companies, a 100 percent New Zealand owned, family business established in 1956 with a long history of food and ingredient importing. Bluerock's portfolio of brands includes well-known Australian-based brands Sandhurst Fine Foods and Guzzardi Fine Foods. The company also markets and distributes its own food brands: Food Snob and Veeseey.

From its head office in Auckland, where it operates both a chilled and ambient warehouse facility, Bluerock's brands are widely distributed to supermarkets, specialty stores, food service and manufacturers nationwide.

The Situation

On the retail side of its business, Bluerock supplies the country's two large supermarket groups: Foodstuffs (NZ) Ltd (owner of the New World and Pak'nSave supermarket chains) and Woolworths New Zealand (formerly Progressive Enterprises), which owns Countdown, FreshChoice and SuperValue.

As Bluerock's product range has grown, so has its business with the two supermarket groups. Prior to 2017, transactions with Foodstuffs and Progressive were processed in a very manual way, explains Bluerock's Customer Service Manager, Catherine Milliner.

"Each day our staff would log onto the Foodstuffs and Progressive exchanges and print off all the orders then manually key each order into our Microsoft Dynamics NAV system," she says.

"At the time we were dealing with 100 to 200 orders a day, so the manual processing workload was pretty high."

The decision was made to implement an Electronic Data Interchange (EDI) solution to automate the information flow and Bluerock engaged Flow Software to carry out the deployment.

The Solution

Flow Software's task was to implement an EDI solution for Bluerock that would automate order processing, order acknowledgment, dispatch information, invoicing and credit notes between the company and Foodstuffs' and Woolworths' stores and distribution centres.

As well as having deployed mission-critical data integration and EDI platforms for hundreds of businesses, Flow Software specialises in building pre-configured partner adapters to seamlessly connect trading partners. It had previously worked with Woolworths and Foodstuffs on a number of projects to facilitate EDI connections between the two supermarket groups and their suppliers.

The Bluerock project also involved Flow Software working alongside two separate Bluerock Dynamics NAV partners - one engaged during the development phase of the EDI



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implementation and the other responsible for deploying the solution in Bluerock's live NAV environment.

An additional factor was that the project involved three roll-out stages: covering integration with the Progressive system first, followed by Foodstuffs' South Island operation, and then Foodstuffs' North Island business.

The Results

With Bluerock's retail business and penetration into supermarkets continuing to grow, Catherine says the value of the EDI implementation is greater today than it was when the project got underway. Initially the company was processing between 100 and 200 supermarket orders per day, but the volume has since increased to between about 200 and 250 per day.

"We've added a number of additional product categories within the supermarkets over the past year and, with each category requiring a separate purchase order, et cetera, we're very pleased they can be processed much more efficiently by EDI," she says.

"We've reduced the order processing workload by the equivalent of about one fulltime staff member and it's also made the process much more accurate by reducing the vulnerability to human error."

Bluerock's Commercial Manager, Tim Lewis, says the successful EDI implementation has had additional business benefits above and beyond the efficiencies of removing a layer of data entry.

"Before EDI, the workload associated with the volume of business we were doing with Foodstuffs and Woolworths meant we were under pressure in terms of our own service standards," Tim says.

EDI has provided real-time visibility into the business that Bluerock previously didn't have.

"Now, with EDI, one thing we've been able to do is cut down our order acceptance time each day, because of our ability to key the orders as they come through."

Tim says he was also impressed that as the project progressed, Flow Software was able to master the challenge associated with dealing with two NAV providers.

"The great thing that Flow Software was able to do for us was to bring those other two providers together to make the project work. Flow were a really good conduit during the project and we always used them as the central point to make things happen," he says.

"They were co-ordinating the project overall which is fantastic from my perspective. That's a real positive and that's the sort of thing I look for in a business partner - a company that's very solution focused.

"Flow are clearly experts in what they do. They are experienced in it and they understand it well. They have dealt with these big supermarket groups multiple times and that experience shows through.

"I'd previously worked with Flow Software when I was at two other businesses. During all three experiences working with them I've never been disappointed."

With the business benefits of Flow Software's Foodstuffs and Woolworths EDI solution now firmly established, Bluerock has been discussing future projects with Flow to utilise the power of its middleware to enable further process automation efficiencies.

The options Bluerock is considering include expanding its use of EDI to integrate with its freight carrier partners. It is also interested in exploring data integration between its core systems and the CRM solution used by its sales reps.

"Following the success of this EDI implementation, we'll definitely be looking to Flow when it's time to explore future projects," says Catherine.

"We've already discussed some processes we'd like to improve through automation down the track."

For more information about Flow Integration & EDI Solutions

Call: +64 9 476 3569
Email: info@flowsoftware.com
Visit: www.flowsoftware.com



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