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ARKIEVA IMPROVES THE BOTTOM LINE FOR SUNSWEET GROWERS

Follow Up: Arkieva Improves the Bottom Line For Sunsweet Growers

In 2004, Sunsweet Growers, the world's largest producer of dried fruit, decided on Arkieva's suite of supply chain planning software over 5 other vendors, including that of their ERP vendor, SAP.

Sunsweet implemented Arkieva's Demand Planning software in May of 2004. In keeping with Arkieva's policy of phased implementation with time for companies to "institutionalize" one phase before continuing to the next, Inventory Planning and Supply Planning were implemented by September, 2004, with Finite Scheduling and Collaborative Planning thereafter.

Today in 2008, Harold Upton states, "By the time we had the first step up and running, we had saved enough money to pay for the product," meaning the entire suite. "We've drastically reduced costs in the supply chain."

"The bottom line is the best proof," Upton says. "Five years ago, we were delivering \$865 a ton return to growers. This year we're looking at \$1400 a ton. That's unheard of." Upton says that with Arkieva, the organization has weekly meetings with representatives from every area of the supply chain. Such meetings used to be rare, he says, because "we didn't have enough relevant information to do it monthly – maybe quarterly."

The improved information flow has resulted in schedules being set a week in advance instead of day to day. Forecast accuracy has been improved up to 20%, resulting in a decrease in overtime from 35% before the software to 10% today. "We're not always cramming to get orders done," Upton says.

In fact, for the last three years, Sunsweet has been able to hold its freight and distribution costs flat, a considerable feat at a time when fuel prices are driving substantial increases in the rest of the industry. A large part of Sunsweet's savings has come from the longer lead-time afforded by planning, so that product can be distributed by rail instead of more costly trucks.



- // **INDUSTRY:**
Food Processing
- // **SOLUTIONS:**
Comprehensive Arkieva solution including Demand Planning, S&OP and Plant Scheduling
- // **RESULTS:**
Distribution cost per case flat over last 3 years, asset utilization improved from 94% to 98%, return to growers \$865/ton increased to \$1400/ton, forecast accuracy improved 20% and overtime reduced from 35% to 10%

Arkieva is beneficial even for fresh product "if you have production variation and some storage time. This is the next wave of supply chain management."

— Harold Upton Vice President of Strategic Business Processes, Sunsweet

The seasonality of Sunsweet's business used to result in poor asset utilization at the end of the year because of the unavailability of the right mix of sizes for the various products. Now, improved sales forecasts have helped the company improve utilization from 94% to 98%.

Upton says that, while dried fruit has a longer shelf life than fresh product, growers of fresh products can benefit from Arkieva as well. "If you have production variation and some storage time, I think it's beneficial," he says. "I think this is the next wave of supply chain management."



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ABOUT ARKIEVA

Since 1993, Arkieva tools have been used in more than 200 unique applications around the globe, and most of our clients leverage Arkieva software to support collaborative planning teams in North America, Europe, and in Asia.