

SAP Customer Success Story



Morgan Foods customers want on-time, complete shipments. The company used mySAP™ All-in-One to achieve on-time shipping rates in excess of 99.8% and a complete shipment percentage exceeding 99.6%.

Morgan Foods implemented the solution rapidly, in only six months. It can now track items and date codes and control stock rotation throughout its entire facility.



MORGAN FOODS

mySAP™ ALL-IN-ONE PROVIDES COMPLETE, ACCURATE, ON-TIME ORDERS TO CUSTOMERS OF MORGAN FOODS

Morgan Foods, located in southern Indiana, is one of the nation's largest privately owned food processing companies, serving major retailers in the United States. The company implemented mySAP All-in-One to meet the demanding requirements of these retail leaders.

"The number one thing our customers want is on-time, complete shipments," says Dan Slattery, who is vice president of finance, secretary, and treasurer for Morgan Foods. "They want to do business with companies that are easy to deal with and that provide them with quality products delivered on-time."

That's just what mySAP All-in-One helps Morgan Foods deliver.

"Our on-time shipping compliance is now in excess of 99.8% and our complete shipment percentage exceeds 99.6%," Slattery says. "With mySAP All-in-One, we make it very easy for our customers to do business with us. When they place an order, they can know, with almost certainty, that they are going to get their order on time, and that it will be complete and accurate."

mySAP All-in-One also helps Morgan Foods ensure quality.

“Because we’re in the food business, we strive to deliver wholesome, safe, and appealing products,” Slattery says. “SAP helps us provide customers with extremely high-quality products. We use the Quality Management and Warehouse Management components for testing, date-code tracking, and to identify and locate quality issues. This has been a real benefit to our customers.”

RAPID TIME-TO-BENEFIT

mySAP All-in-One enabled Morgan Foods to overcome some key corporate “pains”: manual product tracking that was slow and inaccurate, inadequate inventory control, a lack of integrated, timely reporting, and a very slow (20 days or more) month-end close.

Morgan Foods addressed these issues rapidly, implementing mySAP All-in-One in only six months. As a small to midsize business (SMB), the company was assisted by itelligence Inc., an SAP business partner, and other providers.

A key selection criterion was the ability to keep close tabs on product.

“We were looking for a software product that would allow us to track products through the facility and the marketplace,” Slattery says. “It is very important that we be able to track items and date codes and control stock rotation down to the stock-keeping unit [SKU] and pallet level. SAP was stronger at this than the competition. With SAP functionality, such as lot traceability, we have reduced the time it takes to find individual products – from 12 to 48 hours to less than 2 hours.

“If we ever got into a recall situation – which we hope never occurs – this alone would cost justify the system.”

FULL INTEGRATION – COMPREHENSIVE INFORMATION

Morgan Foods receives 90% of customer orders via Electronic Data Interchange (EDI). All raw materials are received, bar coded, and staged through the various production areas using SAP-generated bills of material, routings, and schedules. Palletized products receive a “license plate” for tracking with radio frequency (RF) equipment and are labeled and shipped.

The integrated transaction flow provides a wealth of information for the company.

“We can now perform profitability analyses by customer, product, group of customers, and category within mySAP All-in-One,” Slattery says.

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Morgan Foods runs mySAP All-in-One on a Compaq ProLiant server platform using Windows 2000 and an Oracle database. The company is next evaluating the Plant Maintenance component and an upgrade to SAP R/3 Enterprise.

Morgan Foods is also very pleased with the service it has received from SAP and from itelligence for post-

implementation support.

“SAP offers very knowledgeable resources – within the company and through partner alliances – that we have utilized to answer our questions,” Slattery says. “SAP views its smaller, midsize clients as an important part of its business.”