LOGILITY

Customer Success Story

Continental Mills - a recipe for supply chain visibility

- Reduced inventory obsolescence from $1M/year to almost nothing
- Improved inventory turns by 20%
- Increased resource efficiency in the forecasting process
- Reduced forecast error by close to 50%

- Achieved a record service level of 99.48%
- Improved data accuracy and visibility throughout the business
- Evaluated multiple scenarios to support dynamic business needs

CM
CONTINENTAL MILLS
FOOD PRODUCTS OF CHOICE

Challenge

Continental Mills needed to gain supply chain visibility, improve resource efficiency and evolve the S&OP process.

Logility Digital Supply Chain Platform

Logility helped Continental Mills accelerate inventory turns, increase resource efficiency in the forecasting process, boost forecast accuracy, and improve data accuracy and visibility throughout the business.

Facts
Industry
Dry Bakery Mix Products

Headquarters
Seattle, WA

Profile
Continental Mills is a third generation, family-owned maker of beloved breakfast, baking and snack brands, including Krusteaz®, Kretschmer® Wheat Germ, Albers® Cornmeal and Grits, Alpine® Cider and several licensed product extensions. Snack products include WildRoots® Trail Mixes sold in Club stores, and new Buck Wild™ Snacks. Its products are sold through retail, foodservice and club store channels throughout the United States.

"At the touch of button we can understand what our capacity looks like at a graphical level, see where our bottlenecks are, understand what is causing them and work to find solutions to alleviate them."

Michael Burke, Director of Supply Chain Planning - Continental Mills

In 1932, a women's bridge group in Seattle came together and conceived the world's first "easy-to-make" pie crust. By putting together key descriptors "crust" and "ease", Continental Mills' signature brand Krusteaz® was born. Continental Mills has been providing "food products of choice" to customers ever since. Products include pancake mix, bake mixes, drink mixes and even breadings and batters. The company has four manufacturing facilities and two distribution centers, strategically located throughout the United States.

A family-owned and operated company, Continental Mills has both a history and future of growth, which led to increasing complexity in terms of new SKUs and new customers that the company was ill-equipped to deal with from a supply chain system standpoint. Continental Mills sought out a new solution to both manage and model that growth. "We needed a comprehensive supply chain solution that would instill discipline into the organization," says Michael Burke, director of supply chain planning at Continental Mills.

Flexibility to Manage Complexity

"Logility provides an integrated planning platform that met all of our needs, while providing the flexibility necessary to cater to the business specific challenges that are inherent in our company. We were able to use the system to help drive the culture change we were aiming for," says Burke.

"One supply chain planning challenge we face at Continental Mills is that we have separate divisions that look at the world in a different way. Each division likes to forecast at a different level. Logility provides a huge advantage with a flexible solution that allows all four divisions to manage their business in their own way, while still maintaining a single hierarchical structure that allows roll up to a comprehensive corporate view," explains Burke.

Better Understanding Our Business

Continental Mills has leveraged Logility Demand Planning™ to convert its businesses from an administration-heavy forecasting process to a statistical forecast which significantly reduced the time and effort previously dedicated to "number-crunching."

Logility Inventory Planning™ and Logility Supply Planning™ have allowed Continental Mills to streamline the production planning process and help redesign the company's distribution network, improving capacity planning for all its manufacturing facilities. By utilizing dynamic safety stock calculations in Logility to better plan manufacturing, Continental Mills has been able to maximize inventory investments and free up production capacity.

Logility Demand Planning™
helps Continental Mills produce an efficient, less time-consuming statistical forecast.

Logility Inventory Planning™ and Logility Supply Planning™
allow Continental Mills to streamline the production planning process and design the company's distribution network, improving capacity planning for all its manufacturing facilities.

Logility Manufacturing Planning™
leverages dynamic safety stock calculations and helps Continental Mills create a better manufacturing plan to help maximize inventory investments and free up production capacity.

Logility enables you to:

- Increase forecast accuracy
- Align inventory with customer demand
- Optimize inventory levels and increase inventory turns

- Boost customer service through product availability, accurate order fulfillment and on-time deliveries
- Optimize your entire value chain and get the right products at the right price to the right place at the right time

The tools Continental Mills historically used for planning were very rudimentary, and consisted of large spreadsheets without much science behind them. "Logility has allowed us to quantify our business in a way that we hadn't been able to in the past, to really understand the true cost of what we are doing and see how varying costs change our landscape. At the touch of button we can understand what our capacity looks like at a graphical level, see where our bottlenecks are, understand what is causing them and work to find solutions to alleviate them."

Keeping S&OP Fresh

The sales and operations planning [S&OP] process is an integral part of Continental Mills' overall operation. Supported from the top down, all the senior managers participate on a monthly basis in some aspect of the process. Prior to implementing Logility, the supply chain team established the calendar discipline, but the process was still very labor-intensive. The team experienced many challenges with the process, including numerous versions of spreadsheets being emailed back and forth and data getting corrupted. "We had no idea how much time and effort we put into chasing numbers and version control, until we didn't have to do it anymore," says Burke. "Logility has allowed us to do a much better job of driving the forecast, analyzing our options and providing a view of the world for each one of the businesses." Burke estimates that 40-50 hours of spreadsheet manipulation has been cut out of the monthly S&OP process.

With Logility, Continental Mills keeps the S&OP process fresh. The team can add new elements and analysis to the process, along with key performance metrics to track forecast accuracy, inventory, supply and service levels. "With Logility we can keep our S&OP process fresh."

Record Service and Record Inventory Turns on Record Sales

Continental Mills has been able to change the dynamics of its forecasting process, specifically how the planning organization interacts with the sales team. The planning team has reduced forecast error, in one division by close to 50%. "Logility has helped to provide a creditability that we had previously been challenged with, because of inconsistencies and inaccuracies," states Burke.

While experiencing a record sales year, Continental Mills improved inventory turns by 20%, and achieved an impressive record service level of 99.48%. "The entire organization sees the system as a valuable tool that gives us greater visibility, accuracy and leverage. Logility enables our strategic planning, budgeting process improvements and has ultimately provided a platform on which to confidently grow the Continental Mills business," concludes Burke.

About Logility

Accelerating the sustainable digital supply chain, Logility helps companies seize new opportunities, sense and respond to changing market dynamics and more profitably manage their complex global businesses. The Logility® Digital Supply Chain Platform leverages an innovative blend of artificial intelligence [AI] and advanced analytics to automate planning, accelerate cycle times, increase precision, improve operating performance, break down business silos and deliver greater visibility. Logility is a wholly owned subsidiary of American Software, Inc. [NASDAQ: AMSWA].

To learn how Logility can help you make smarter decisions faster, visit www.logility.com.