

Helping Foodbrands to Resolve Critical Issues

Urgently Addressing People, Processes and Systems

AT A GLANCE

Foodbrands America, a major manufacturer and marketer of frozen and refrigerated products, had recently experienced dramatic business growth through acquisitions. However, the company was struggling to keep up with this explosive growth in such a short time period. Case costs were up significantly, order fulfillment errors were sky high and productivity measures were unacceptably low. In order to address these complex distribution challenges, Foodbrands turned to an outside specialist to achieve a productivity gain of approximately 30 percent, primarily through hands-on, practical training of the floor supervisors at each of the company's distribution centers.



Bringing in outside expertise also enabled Foodbrands to create optimum operational functionality through improvement of processes and IT systems. In fact, within five months Foodbrands reduced case costs by 52 percent and decreased the number of order fulfillment errors by 40 percent through such related improvements.

The Situation

Foodbrands America services nationally recognized foodservice, retail and refrigerated convenience food companies such as Dominos Pizza, Sysco, Fleming, and Alliant Food Service. Foodbrands had experienced

three solid years of double-digit growth, and by 2000, the company was moving nearly \$1 billion in products a year, according to Dick Buell, President and COO.

The Challenges

Due to this dramatic growth in such a short period of time, the company faced three significant challenges that created significant operational inefficiencies:

1. Foodbrands' distribution facilities were operating in a very reactive mode just to keep up with the increasing volume of products moving through its distribution channels. In fact, many managers and supervisors were "too close to the situation" to adequately address the complex operational challenges of the growing company.
2. Distribution processes had become ineffective because the company simply couldn't keep up with its dramatic volume increases running through its

distribution centers. Case costs were up significantly, order fulfillment errors were sky high, and productivity measures were unacceptably low.

3. IT systems no longer adequately supported the volume of product moving through the company's distribution channels.

In addition, Foodbrand's existing 175,000-square-foot, 16-dock-door central warehouse and four auxiliary distribution facilities in Kansas no longer were capable of accommodating the company's exhaustive logistics needs.

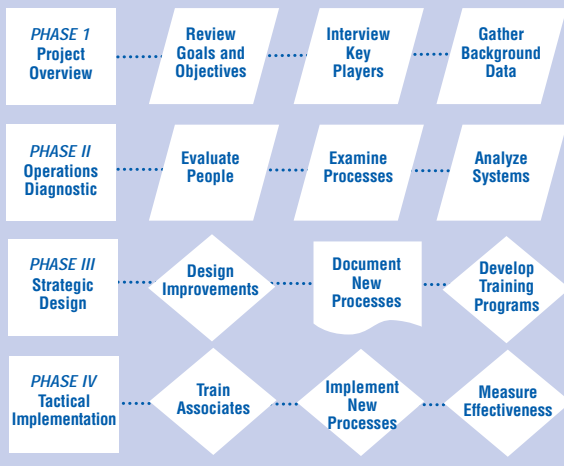
The Solution

Solertis, a firm that offers strategic and tactical process design and implementation of operational initiatives, helped Foodbrands to quickly and effectively address its urgent challenges. Solertis accomplished this through a strategy involving hands-on training of Foodbrands' distribution management and improvements in the company's logistics processes and operations.

DEALING WITH A CRISIS QUICKLY AND EFFECTIVELY.

Solertis moves through these four key phases to ensure maximum operations improvements have been made.

OPERATIONS IMPROVEMENT METHODOLOGY



"Solertis did an unbelievably fabulous job in getting this broken thing fixed," says Buell. "They provided supplemental management all the way through training to daily meetings, weekly planning and monthly outlooks."

According to Jesse Laver, a practice leader with Solertis who was instrumental in helping Foodbrands through this crisis, one of Solertis' major

roles in the project involved working with the employees who run the operation on a daily basis. "We were on the floor, mentoring the supervisors and front-line managers in their own environment day in and day out," he says. "When a problem arose, we would coach them on how to think through the issues and how to be a more effective manager.

We firmly believe that the key to improving an operation is involving the people who live and breathe it everyday. By helping these key members of the work force to develop new thinking skills, Foodbrands is now in a better position to address its distribution challenges.

"What makes Solertis unique is that we can benefit clients at all levels, from the ground up," continues Laver. "For Foodbrands, at 6 a.m. we'd be in the freezer to work with front-line supervisors, and at 4 p.m. we'd be sitting at the boardroom table talking strategy with the vice president. We bring significant value to our clients by integrating at all levels of the enterprise."

In addition, Foodbrands also turned to Solertis to help transition its operations into a state-of-the-art 450,000-square-foot distribution facility recently built near Kansas City. Solertis helped Foodbrands to make a transition from a multiple-site, fragmented logistics infrastructure that it had outgrown to a sophisticated product flow strategy through this single comprehensive distribution facility.

According to Laver, the training provided by Solertis to Foodbrands' distribution center management was instrumental in making this smooth transition. "We walked Foodbrands through the development of new processes and systems that would accommodate the volume moving through this new facility. By helping Foodbrands through their immediate crisis and then transitioning into their new facility, this client is well-positioned for future growth."

Solertis offers strategic and tactical process design and implementation of operational initiatives. This Atlanta-based company specializes in warehousing, distribution, transportation and facility design solutions, with a special focus on critical logistics solutions.



For more information, contact:

Solertis Logistics Solutions
817 W. Peachtree St., NW, #510
Atlanta, GA 30308
Voice: 404.459.8480
Fax: 404.459.8481
info@solertis.com
www.solertis.com

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