

Kettle Foods Building Up Steam with IFS Applications™

Kettle Foods Ltd. is the UK operation of Kettle Foods, Inc. The company started in Oregon as part of the natural foods movement and its Norwich plant opened in January 1989. Its best-known product is Kettle Chips, which is one of the fastest growing snack brands in the UK, currently worth approximately £30M. The UK company is experiencing rapid growth as the market for food products using natural ingredients expands rapidly. It needs systems that are error-free and efficient so that it can maintain and improve its quality of customer service in an extremely competitive marketplace.

The problem

Kettle Foods started small in the UK but has grown quickly. It found itself running a large and dynamic business using a sales order processing system and financials together with a number of fragmented systems based on spreadsheets.

These systems were not integrated and the lack of central control meant that overall there was inflexibility. Furthermore, duplication of effort led to errors and a waste of resources. The company needed to become flexible and more efficient in order to handle the increasing complexity of an expanding business.

The solution

Kettle Foods wanted an integrated system that was user friendly with a minimum requirement for training. It had to be flexible and be able to cater for the company's growth potential, providing support for decision making by using information that was reliable, accurate and immediately available.



Implemented in two stages, the first used IFS for financials, order processing, inventory management and purchasing. In the second stage IFS will be used to add demand planning, MRP and HR. IFS was selected because of its component-based architecture which makes it flexible and easy to use, with the best external interfaces to other systems.

Implementation

The first priority was to understand the company's processes, so it got together a team of key people from all relevant business functions to work with IFS consultants. Team members were knowledgeable, good communicators who could get buy-in from the user community and who would do user training. "The implementation process was very fast with a June 2000 start and going live on October 1 2000," says Lyn Daplyn, Finance Director at Kettle Foods. "Kettle Foods' systems team, working with IFS, drove the implementation and there was a great deal of commitment from its key people, who spent 70–80% of their time on the project."

A new Head of Supply Chain was appointed whose first task was full-time management of the IFS project. Implementation was driven throughout by the company's desire to improve and maintain its level of customer service, and with this dedicated direction the first phase went live in record time.

Benefits

Decision making within Kettle Foods' business is now supported with accurate information that is more widely visible than it ever was before. Information about stock, creditors, debtors and financial position is available throughout the company and is consistent across all functions. So whether an enquiry is made from a Customer Service perspective or from finance perspective, the same core data are used, and it is possible to look at any situation from several points of view.

"Our highest priority is customer service, and IFS lets us consolidate information quickly and accurately," says Lyn Daplyn. "Now we get financial reports much faster than we used to. Management information used to take weeks to produce, but now its available on day 10 of the month and we're aiming to get it on day 6 or day 5."

Earlier availability of reporting means the company has more time available to review the information being produced and it is being circulated to the correct people. A lot of time previously spent maintaining older systems and manually producing reports has been freed up and is being used for new value added projects associated with the rapidly growing business. Kettle Foods has a strong people culture, and the IFS system has brought new opportunities for people to enhance their careers.

Implementation of the IFS system was extremely cost-effective. Time did have to be invested in the system, but IFS was assessed to be the easiest and least expensive system to implement. Now that the system is settling down, users are identifying new requirements to help them improve day-to-day operation, which has led to new reports being generated that have proved very useful to the business.

Processes have been improved. A lot of work was done by the systems team in preparation for sessions with IFS consultants, but the company has found that having a discipline imposed by the IFS system has helped them identify and make process improvements. Some very laborious tasks have been eliminated, and staff are delighted at being freed up to spend their time more constructively. Implementing the IFS business system has contributed to improved motivation within the company.

Software

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