

SCA Software Enhances Global Foodservice Retailer's Budgeting Process

Challenge

One of the world's leading global foodservice retailers identified several gaps in their Budgeting and Supplier Performance Review process including:

- Inconsistent processes across regions and among suppliers
- Manual, time-consuming procedures for data collection, analysis and review
- Multiple disparate data sources
- Time consuming rounds of analysis, review and discussions between supply chain managers, suppliers and others
- Difficult to track and monitor budgeted costs and identify variance drivers

Solution

SCA Technologies™, the leader in predictive cost management software solutions was engaged to facilitate the design, development and implementation of a new budgeting process. SCA Technologies' consultants teamed with the organization's supply chain managers, suppliers, distributors and other stakeholders to understand the company's business needs, current budgeting processes and potential gaps. The result was the design of a streamlined budgeting process based on best practices, that is simple to use and easy to implement.

SCA Analyzer™, the cornerstone of SCA Technologies' software suite, SCA Planner™ provided the company with enterprise-wide budget analysis around financial and operational factors enabling collaboration among different business units. The software allowed supply chain managers to quickly create a solution that meets evolving business needs by evaluating historical trends and benchmarks among suppliers. In addition, Analyzer empowered managers to identify potential cost variances and take appropriate and timely corrective action.

About SCA

For over a decade, SCA Technologies has provided category sourcing and cost management solutions that help industry leaders maximize profits by better managing market, supply and demand volatility. Supply chain, procurement, finance and corporate social responsibility professionals use the unique cross-functional approach of the SCA Planner suite to make better decisions for billions in category spend each year. With our patented technology, customers can finally address the tough challenges of volatile commodity prices, extended supply chain networks and corporate social responsibility tradeoffs in a coordinated manner. Our innovative, cloud-based solutions deliver increased visibility and quicker response, leading to an average 3-5% reduction in the cost of goods sold on an annual basis. Learn more at www.scatech.com

Results

- Standardized process for budget, actual and variance reporting across all suppliers and business units
- Developed yield benchmarking report identifying operational targets for suppliers and over \$40 million in potential savings through best practices and process improvement
- Modeled financial impact of expanding grow-out capacity vs. buying meat on market
- Targeted cost for the evaluation year was established by taking the previous year's actual costs and adjusting for commodity cost projections, product specification changes, and roadmap/cost-to-serve savings