Softproviding

Softproviding Meat Solutions
Protein Council 2014 / Chicago
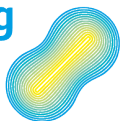
Global
SAP®
Protein Council

Softproviding AG, February 2014

Think ahead. Go there.

Company
SAP Partnership
Customer Base

Company Profile

"From farm to fork."
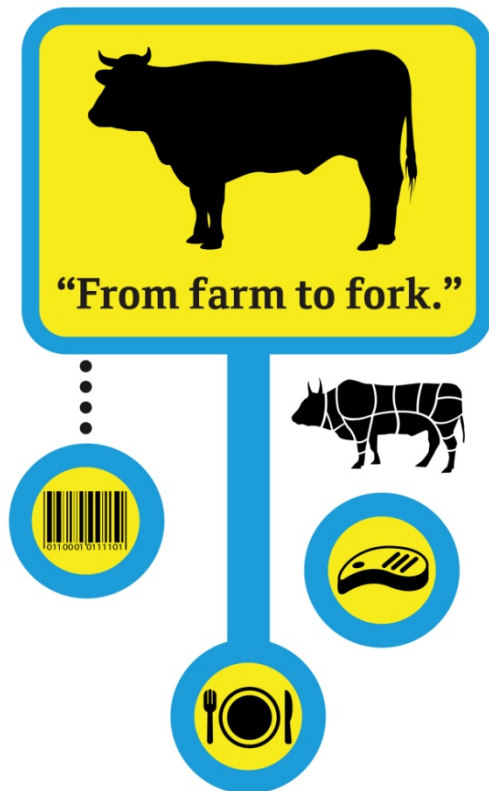
**Pioneering
meat management
by Softproviding.**

— **Established August 2000**
— **Core Business
«Industry Solution Development»**
— **Legal Form PLC**
— **7 Partners (Shareholders)**
— **Ca. 40 Employees**
— **Services on Offer**
— **Support & Test Center: 24h/7**
— **SAP EBS Partner**

SAP Eco System Offerings

SAP Ecosystem Offerings	Solution Selection	Product Testing & Qualification	Product Roadmap	How to buy?	Product Support
SAP Solution Extensions	By SAP invitation	Complies with SAP Product Standards	SAP manages integration into SAP Product Roadmap	SAP resells the solution	SAP is the single point of contact for support
SAP Endorsed Business Solutions	By SAP invitation	Application level integration & Solution qualification for seamless business processing	SAP guides Roadmap integration based on Cooperative Development Agreement	Partner sells solution; jointly positioned & endorsed by SAP	SAP is the 1st point of contact via Standard support infrastructure
SAP Certifications	Self-Selection by Software vendor	Platform inter-operability certification	Unknown	Sold by software vendor	Provided by software vendor

EBS Customer Benefits

— **Solution is complementary to SAP software offering, specifically SAP Catch Weight management and is integrated to SAP ERP, SCM, CRM, HCM and other SAP solutions**

— **Softproviding is committed to platform and business process integration with SAP Solution portfolio**

— **Support agreement between SAP and Softproviding is in place in case of customer escalation**

— **SAP Solution Manager can be used to report incidents on Softproviding**

— **Solution is developed in accordance with SAP development guidelines and is powered by the SAP NetWeaver platform.**

— **It provide additional choices and flexibility for businesses running SAP software**

— **SAP Service can implement Meat Management by Softproviding**

Meat Management – Service Portfolio

Product Development & Support

- Releases and Upgrades
- Service Packs
- 24/7 Support

Global Delivery

- Strategic Partner SAP C
- Softproviding Coaches On-Site
- Local Partner Support

Education

- Standardized MEAT MGMT Courses
- SAP Education Facilities
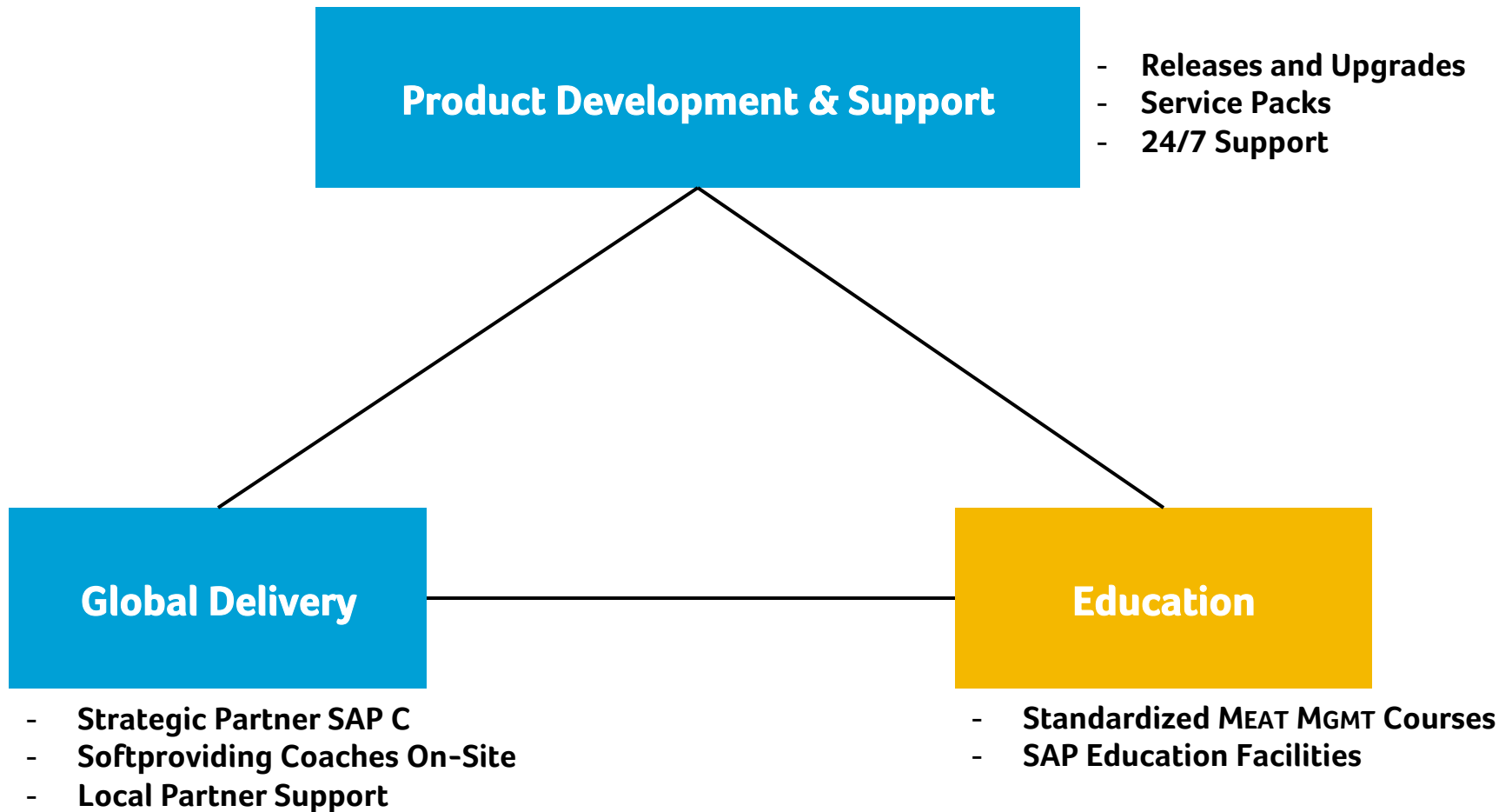
Customers Worldwide

Reference Customers

Switzerland

MICARNA
Ein gutes Stück besser - Simplement meilleur
B, P, C, L, F, C

Bell
B, P, C, L, F, V

ERNST SUTTER AG
B, P, L, V

SBAG
B, P

Ospelt
specialities convenience pet food
B, P, F, V

Germany

WEST FLEISCH
DIREKT VON BAUERN.
B, P, V

Kaufland
B, P, V

Wilhelm Brandenburg
Seit 1885
FEINE FLEISCH- UND WURSTWAREN
Ein Unternehmen der REWE GROUP
B, P, V

Reinert
Die Privat-Fleischerei
B, P, V

NÖLKE:
C, V

MÜLLER FLEISCH
B, P, V

Europe
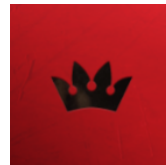
VION — Netherlands
B, P, C, V

Denmark
B, P, V

Perutnina Ptuj NATURALLY FIT — Slovenia
C, V

NIKAS — Greece
B, P, V

Worldwide

MAPLE LEAF — Canada
P, C

Tyson — USA
C

AGROSUPER — Chile
P, C, V

BEC
B.E. Campbell (NSW) Pty Ltd — Australia
P, L, V

B: Beef
P: Pork
C: Poultry
L: Lamb/Sheep
F: Fish
V: Convenience

Implementation Overview by number of plants

	Live	Current Project	Total
Fresh Meat	**30**	**15***	**45**
Further Processing & Convenience	**28**	**1**	**29**
Total	**58**	**16**	**74**

*In addition is a large project in the controlling area with over 30 plants

Think ahead. Go there.

Meat Management Software

Softproviding

SAP

Meat Management – Products and Terminology Rebranding

Softproviding

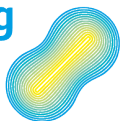**Softproviding Meat© (previously sopro/MEAT_line)**
Softproviding Meat is a functional Add-On for SAP ERP and is an extension of Softproviding Core. Softproviding Meat contains business functions required specifically for the meat industry.

Softproviding Core© (previously sopro/PROCESS_line)
Functional Add-On for SAP ERP. This contains business functions required for the process industry in general.

Technical Add-On for SAP NetWeaver. This functionality aids the connection of external devices to SAP NetWeaver and enables the development of touchscreen and mobile scanner client/server applications and functionality.

Softproviding Link© (previously sopro/X_line)
Softproviding Link is a technical Add-On for SAP NetWeaver. This functionality enables decentralized processing, e.g. in a high-availability or failsafe environment.

Softproviding Release Strategy*

Release		2014				2015			
Meat	**Core**	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
v5.20	v2.20	●●●● General Availability ●●●●						End of Cycle	
v5.30	v2.30	●●●● General Availability ●●●●							
v6.00	v6.00						Ramp Up	General Availability	

Legend:
- Ramp Up
- General Availability
- End of Cycle

Release v5.30/v2.30 run under SAP ECC 6.0 & SAP Enhancement Packages (currently through EhP7)

Release v6.00 will run under SAP ECC 6.0 & with SAP Enhancement Package 7 as a prerequisite

Next release of Softproviding Core will be called version v6.00 in order to harmonize the versions with Softproviding Meat

Software Releases (Upgrades) are generally released once per year, major releases require ca. two years (e.g. v6.00)

Meat Management – Solution Roadmap

Softproviding

TODAY	PLANNED / IN PROGRESS	FUTURE
Farming Management	North American Meat Standard	SAP Commodity Mgmt. Integration
Livestock Procurement and Slaughtering	Carcass Balancing	Simulations
Disassembly	HANA Enablement	Extended Capacity Planning for Disassembly
Distribution Framework	Standardized Distribution Processes	Further BI Integration
Shop Floor Integration	Livestock Mgmt.	HANA Optimization

Think ahead. Go there.

North American Standard

Approach

— **Meeting to define relevant topics**

— **Topics identified**
- . Market data from external source
- . Contract Management
- . Affidavit Management
- . Tattoo Matching/Data Cleansing
- . Lien Management
- . USDA Mandatory Price Reporting

— **Individual Meetings to define requirements with business representatives**

Participants

Representatives from the following organizations:

— **Selected SAP Customers from USA and Canada**

— **Representative from USDA**

— **Softproviding**

Requirement definition

Market data from external sources

Next Steps – due by end of day 8/26 to Chris Bradbury
* Provide examples of the links to the reports with the specific names
* Provide an example field list from a report
* Each company to work directly with SoftProviding on examples of calculations they would use

Requirement definition
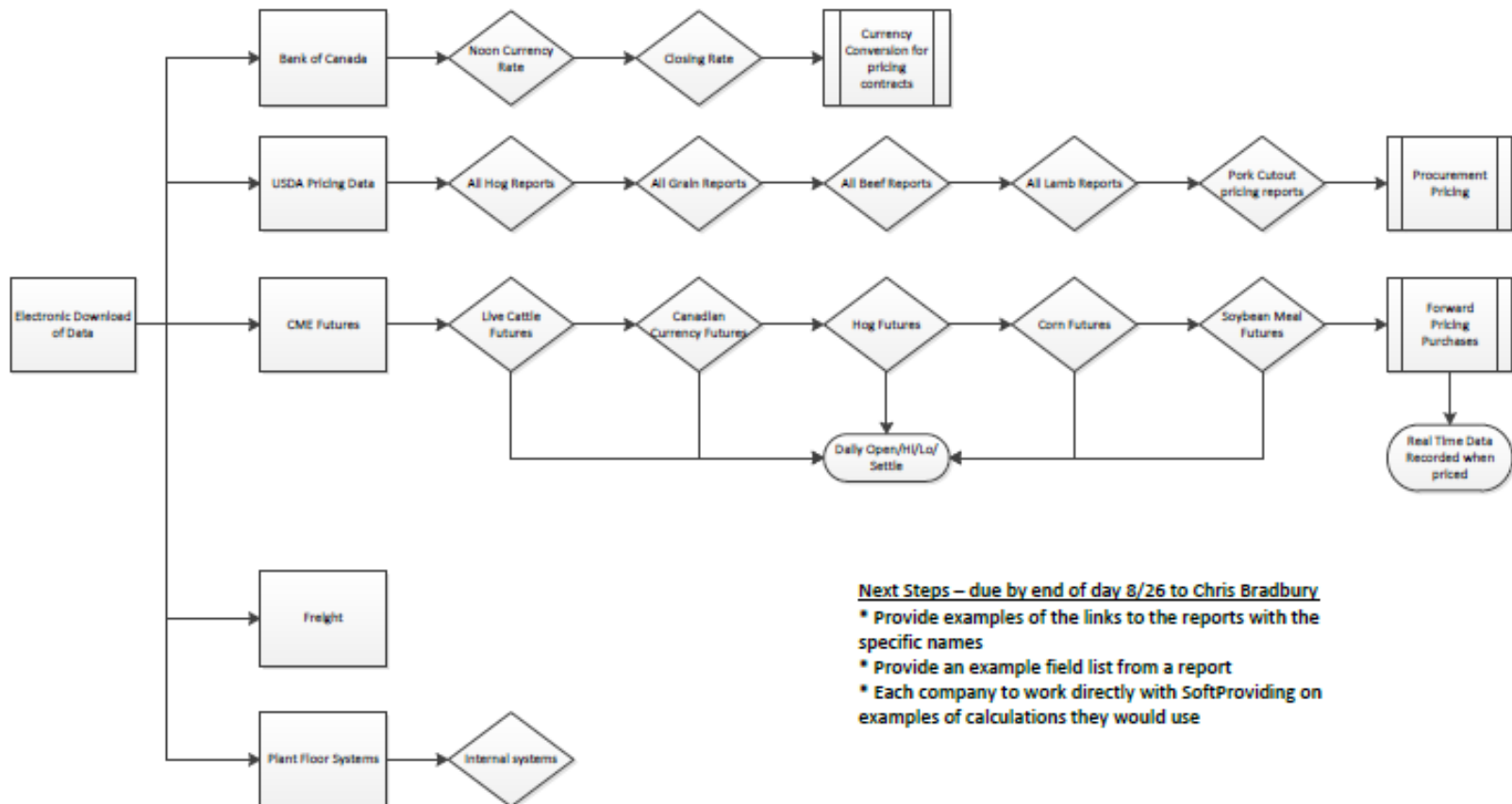
Contract Management

— **Result of the requirements: no further discussion due to individual requirements**

— **No clear standard possible and recommended**

Requirement definition

Affidavit Management

— **Certificates to be scanned and managed in the system**

— **Control during purchasing processes necessary between scheduled deliveries and actual valid certificate/status**

— **Depending on species and quality programs**

Requirement definition
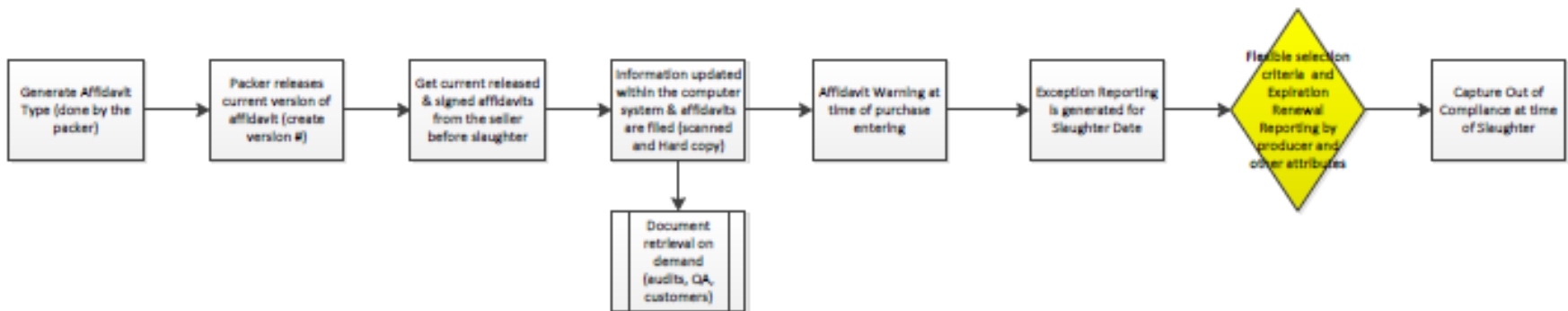
Tattoo Matching / Data Cleansing

— **3 possibilities how to implement this process**

- Implement logic in product (BAdI-method)

- Capture data directly in SAP along slaughter process (Best Practice)

- Customer individual procedures and development with use of standard function modules to save data in Meat Management

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Requirement definition

Lien Management

— **Ability for system to maintain and report pertinent lien notice and lien search information**

— **Lien has validity**

— **Livestock accounting system uses lien information**

Requirement definition

USDA Mandatory Price Reporting

— **Requirement by federal law**

— **Report specification for all species published on USDA website**

— **7 real time reports triggered by events (e.g. scheduling, grading)**

— **Matching table to convert in central format for USDA**

— **Exported data in CSV-format**

— **Data and files to be logged for audits**

Next steps

— **Validation of the requirements definition by North American meat industry companies**

— **Specification of the common requirements**

— **Acceptance of common requirements by North American user group**

— **Customer pilot**

Think ahead. Go there.

Success Stories

Meat Management – Success Stories

Farming Management
(Breeding & Rearing)

Livestock and Fresh Meat
Procurement

Pull Planning (Demand)

Slaughtering

Disassembly

Push Planning (Supply)

Further Processing

SAP ERP — • Production Orders

Sales

MEAT_line
- Organizational units
  - freely defined
  - hierarchy – as many levels as required
  - unit relationships
- Activities
  - freely defined
  - movement from one organization to another
- Costs
  - passed on to production orders and controlling
- Automation of activities
  - as required through slaughtering

Pick, Pack, Ship

PROCESS_line
- Goods movements / weightings
- Subsystem integration

Perutnina Ptuj

Slovenia

Rearing and Hatching Operations

Farms: **250**

Egg production: **1,000,000 / week**

Feed: **250,000 tons / year**

Meat Management – Success Stories

Farming Management (Breeding & Rearing)

Livestock and Fresh Meat Procurement

Slaughtering

Pull Planning (Demand)

Disassembly

Push Planning (Supply)

Further Processing

Sales

Pick, Pack, Ship
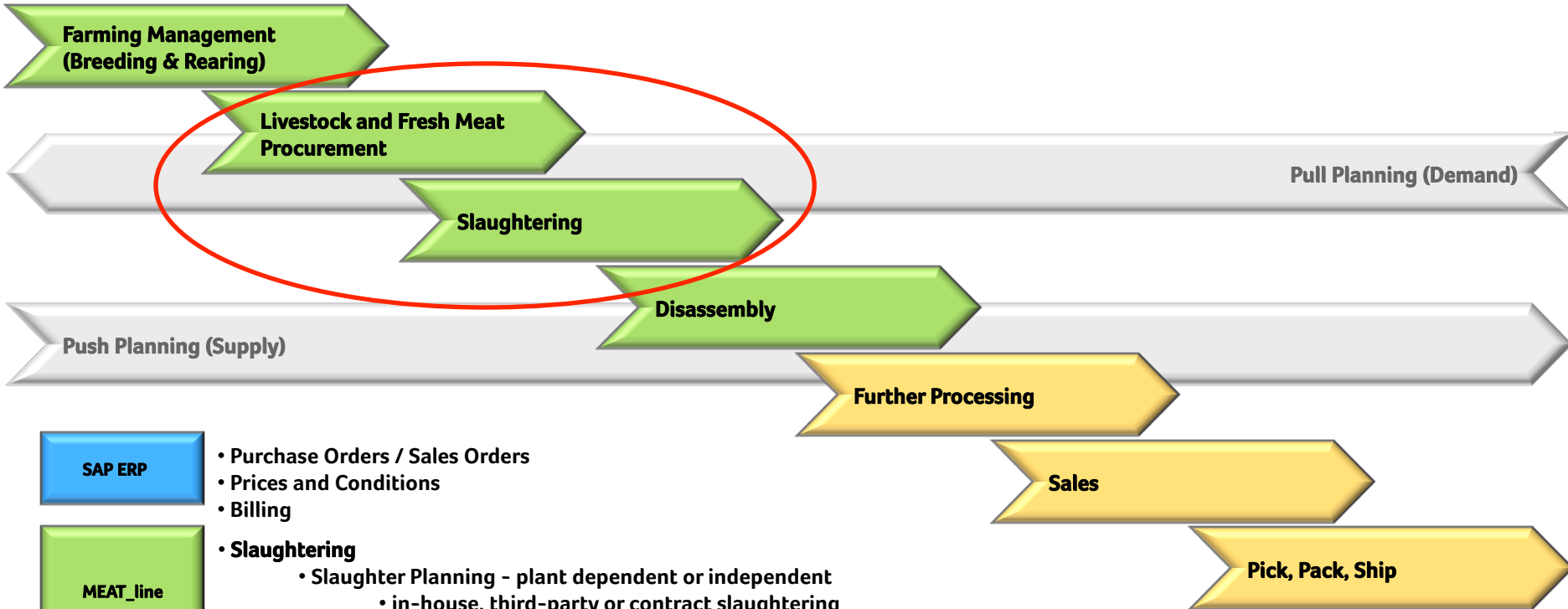
SAP ERP
- Purchase Orders / Sales Orders
- Prices and Conditions
- Billing

MEAT_line
- Slaughtering
  - Slaughter Planning - plant dependent or independent
    - in-house, third-party or contract slaughtering
  - Livestock Reception
    - animal data and organisational structures (e.g. trucks)
  - Slaughter Data
    - characteristics database with animal specifications
  - Livestock Settlement
    - purchase order creation after slaughter with animal specification available for pricing

PROCESS_line
- Goods movements / weightings
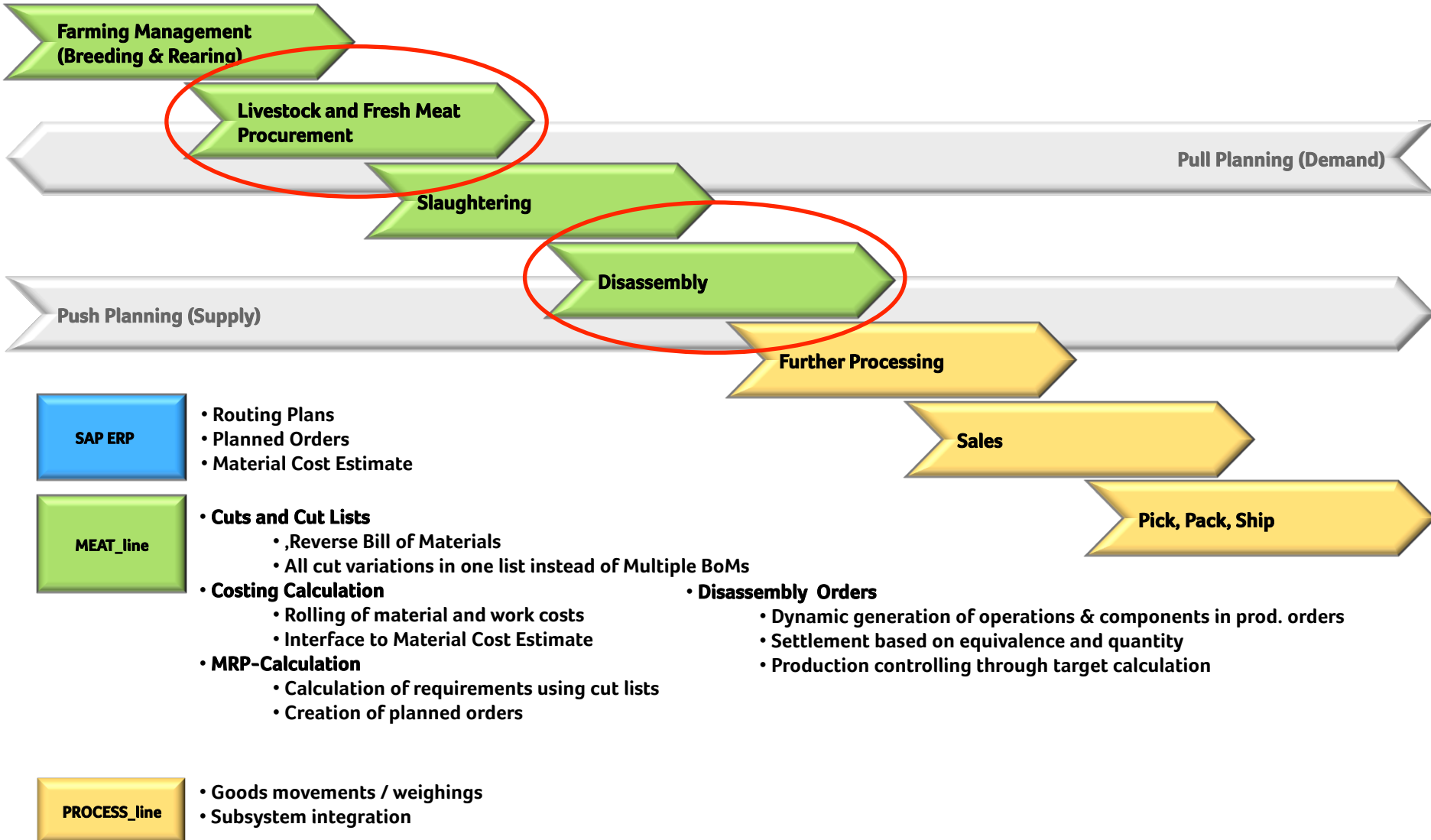- Subsystem integration

Maple Leaf Foods

Canada

Slaughtering Operations

Pork: 83'000 / week

Chicken: 1.6 Mio / week

Total of 7 plants

Meat Management – Success Stories

Farming Management (Breeding & Rearing)

Livestock and Fresh Meat Procurement

Pull Planning (Demand)

Slaughtering

Disassembly

Push Planning (Supply)

Further Processing

Sales

Pick, Pack, Ship

SAP ERP
- Routing Plans
- Planned Orders
- Material Cost Estimate

MEAT_line
- Cuts and Cut Lists
  - ,Reverse Bill of Materials
  - All cut variations in one list instead of Multiple BoMs
- Costing Calculation
  - Rolling of material and work costs
  - Interface to Material Cost Estimate
- MRP–Calculation
  - Calculation of requirements using cut lists
  - Creation of planned orders

- Disassembly Orders
  - Dynamic generation of operations & components in prod. orders
  - Settlement based on equivalence and quantity
  - Production controlling through target calculation

PROCESS_line
- Goods movements / weighings
- Subsystem integration

Success Stories – Kaufland

Kaufland

Germany and Czech Republic
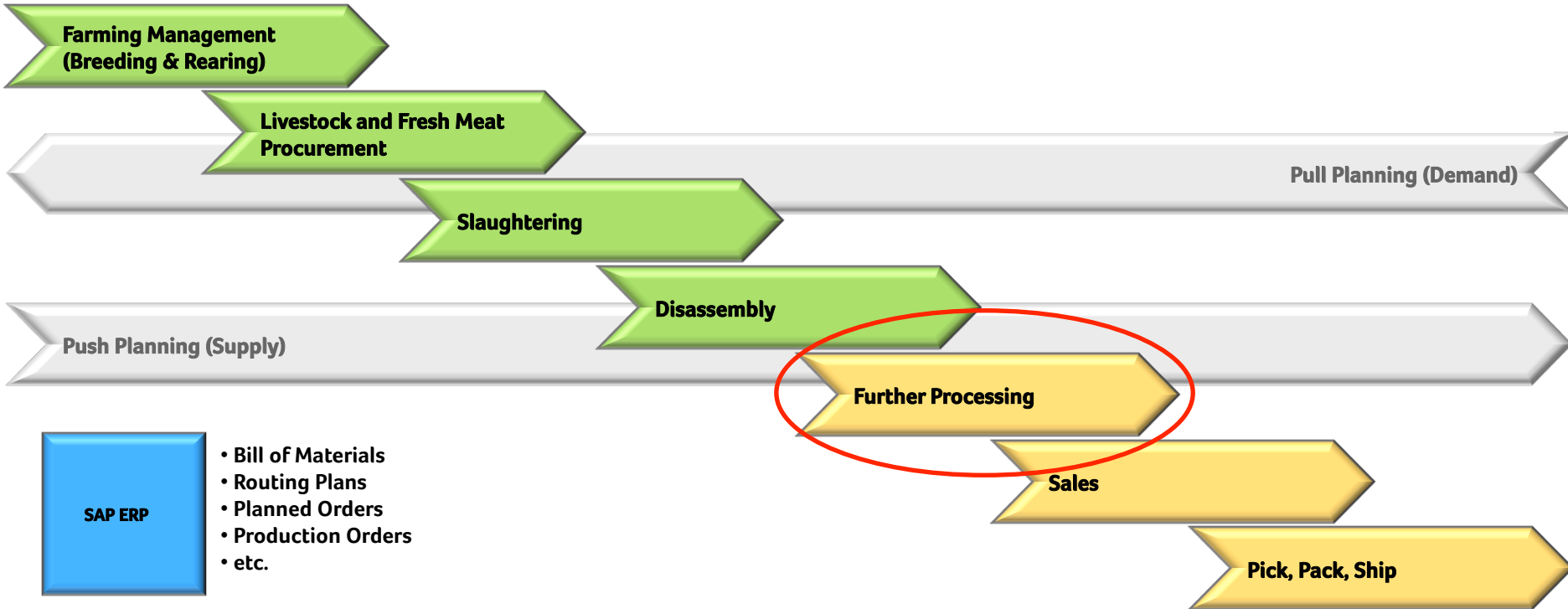
Cutting and Deboning

Pork and Beef: 900 tons / day

4 plants – 2 shifts / 6 day week

Meat Management – Success Stories

Farming Management (Breeding & Rearing)

Livestock and Fresh Meat Procurement

Pull Planning (Demand)

Slaughtering

Disassembly

Push Planning (Supply)

Further Processing

SAP ERP

- Bill of Materials
- Routing Plans
- Planned Orders
- Production Orders
- etc.

Sales

Pick, Pack, Ship

- **Process Data**
  - Goods Movement consolidation
  - Two units of measure
- **Process Data Acquisition Entry**
  - for production orders (or planned orders in a repetitive manufacturing environment)
  - ‚Batch' (recipe) processing
  - Production order pairing (input-output)
  - Weighing strategies and automation
- Confirmation tools for production orders

PROCESS_line

Success Stories – Brandenburg (REWE)

Wilhelm Brandenburg

Germany
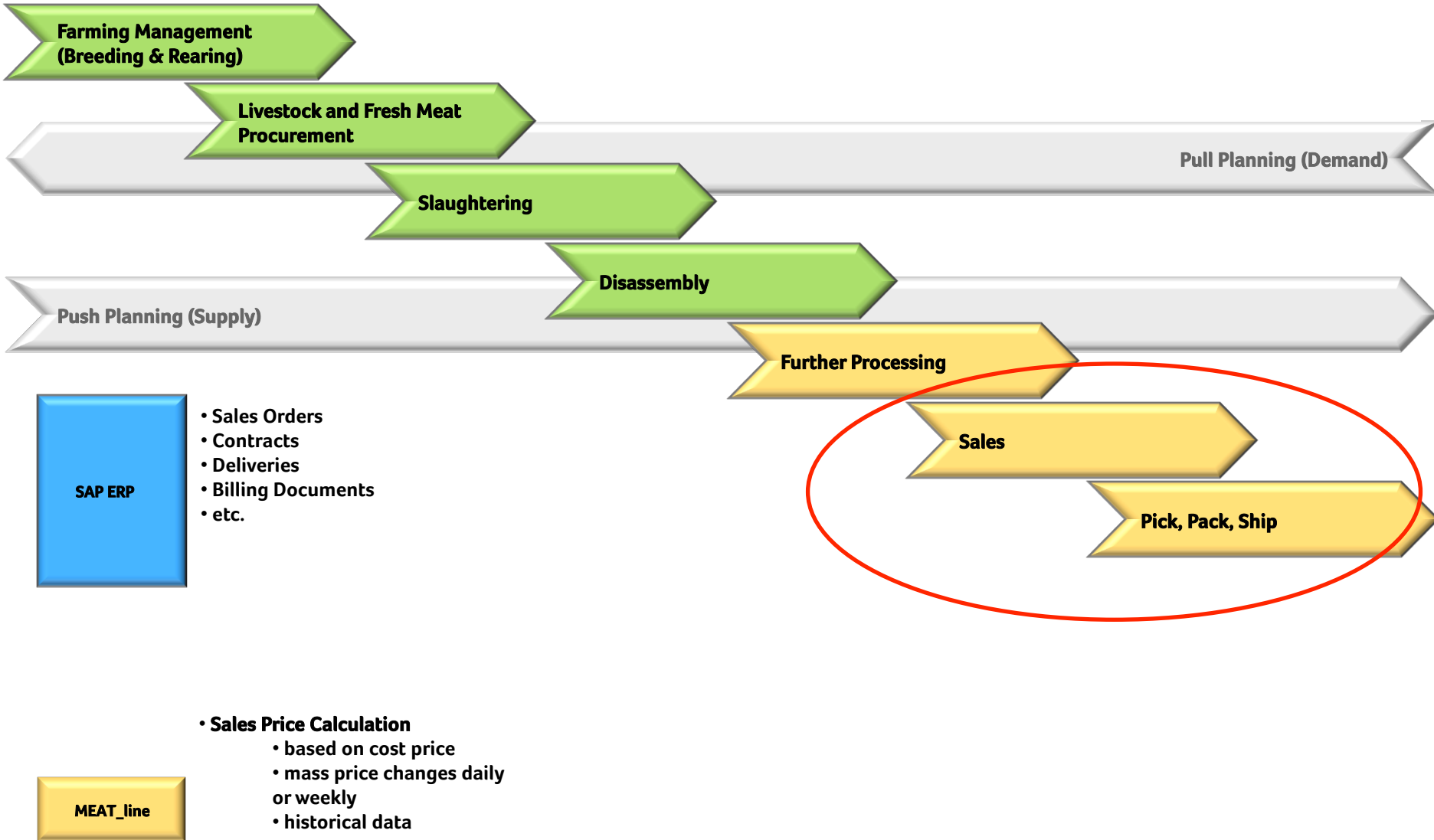
Sausage and Convenience Food

Production: **380-500 tons / day**

3 plants - 3 shifts / 5-6 day week

Meat Management – Success Stories

Farming Management (Breeding & Rearing)

Livestock and Fresh Meat Procurement

Pull Planning (Demand)

Slaughtering

Disassembly

Push Planning (Supply)

Further Processing

SAP ERP

- Sales Orders
- Contracts
- Deliveries
- Billing Documents
- etc.

Sales

Pick, Pack, Ship

MEAT_line

- **Sales Price Calculation**
  - based on cost price
  - mass price changes daily or weekly
  - historical data

Kaufland Fleischwaren

Germany and Czech Republic

Picking and Packaging

Boxes (E1): 100–120,000 / day

3 plants - 2 shifts / 6 day week

Heinrich Nölke GmbH & Co KG

Germany

Picking and Packaging

Cartons: 100–130,000 / day
Pallets: 1500–2500 / day

1 plant - 2 shifts / 5 day week

Think ahead. Go there.

Questions?

February 2014

Always there when you need us.

Softproviding