

# Frulact



"The implementation wasn't intrusive to our process. We could run DDMRP side by side with SAP and see the results."

ROGERIO SILVA, EXECUTIVE DIRECTOR

## BUSINESS CHALLENGE

Frulact has been supplying fruit and plant-based value-added ingredients to the food and beverage industry for more than thirty years. Founded in Portugal in 1987, the company now operates eight production facilities across five countries. These plants are supplied with more than 2000 raw materials to produce and supply products to be delivered to some of the biggest names in the food business, including Danone, Chobani, Nestle, and more.

Forecasting demand is challenging; replenishment is made even more challenging with raw materials (e.g., fresh fruit) that are available in a limited supply and only for a limited time. Frulact's supply chain managers can't afford to get it wrong.

In 2000, Frulact tried to improve replenishment practices by developing a series of MRP engines, yet each new version fell short. Then in 2008, they decided to implement SAP, assuming that a commercial MRP engine from such a well-known ERP provider would surely address their challenges. They "learned a lot" from the experience, but SAP couldn't resolve their challenges either.

## SOLUTION



Then they heard about Demand Driven MRP and Replenishment+. When their consultant suggested they go-live with DDMRP in January of 2019, the Frulact team requested a date nearly three months earlier. Since they could run DDMRP side-by-side with their SAP system, there was no risk to the business. They still had the power to decide which recommendations they chose to follow.

It looks like DDMRP is winning that battle. So far, Frulact has implemented Replenishment+ across six of its eight plants for a 2M Euro reduction in raw material inventory directly attributable to DDMRP and a 1.5M Euro increase in working capital. Just what any growing company needs.