



Company Facts

- ▶ Location: Milton Keynes, Telford, Warminster, United Kingdom
- ▶ Industry: Food Manufacturer

Success Highlights

Challenges

- ▶ Provide an ERP platform to support the company's fast growth

Solution

- ▶ Epicor Tropos ERP

Benefits

- ▶ Long visibility of order book to aid planning
- ▶ Lost invoices minimised
- ▶ Full traceability of products in the manufacturing process to measure costs
- ▶ Ability to be more price competitive



From baguettes to focaccias and beyond, Giles Foods is a leading UK manufacturer of frozen and chilled food products for the wholesale, catering and bake-off markets. Established in 1977, the family owned company suffered a major fire in the late 1990s that might have ruined the business. Instead, the company responded by growing turnover from zero to £17m in the following six years.

Giles Foods is now implementing a full range of Epicor Tropos ERP modules and CODA Financials to help manage the next period of its growth—to a projected £40m turnover by 2006.

The Giles Foods growth strategy is based on a strong commitment to market responsiveness, innovative product development and quality production capabilities. New products are increasingly focused on bread, aimed at the snack meal market and delivered so fresh to customers' in store bakeries that they can declare them 'freshly baked'. Production facilities at two sites in Milton Keynes, and in Telford and Warminster, ensure quality production for the company's comprehensive range of breads, flans, quiches, Danish pastries and party foods.

Recent evidence from grocery market researchers suggests that the Giles Foods strategy is working. Giles Foods' products featured in two of the twenty top performing product lines in the sector.



A New Platform for Growth

With business growing so rapidly, Giles Foods recognised that it needed a more robust way to manage its orders, control stock and track production. Although PC based databases and spreadsheets were gradually replacing the company's manual systems, it became clear to the board in 2003 that they needed a seamless ERP system to integrate sales and production processes.

Financial Controller Andy Willis says: "It was getting more and more difficult to run the business with the systems we had. We were spending 80% of our time preparing reports and only 20% of our time looking at them and responding."

Another key driver for change was the increasing demand on the business posed by electronic data interchange (EDI) for customer orders. It was critical to a business with a reputation for fresh quality, short shelf-life, products that it minimised the time between customer orders and delivery. It was also important to Giles Foods that stock and works orders were properly tracked so that costs could be controlled and pricing competitiveness maintained.

After reviewing a number of ERP solutions, Giles Foods selected Tropos and CODA because of the management reporting flexibility that the systems offered. "With a lot of ERP systems you have to take the developer's reporter and usually you've got limitations," says Andy Willis. "We liked the open architecture of ODBC which meant we could use Microsoft Access, Crystal Reports and COGNOS PowerPlay, all of which we felt comfortable with. This flexibility means that we can manipulate the data and design our reporting for the needs of our business." Specialized knowledge and experience of food manufacturing also drew Giles Foods to Epicor. They were particularly impressed by the supplier's business knowledge, backed by strong technical expertise.

"Food manufacturing is quite different from other kinds of manufacturing. We are a very quick turnaround business – driven by the fact that our products perish so quickly. We didn't need to spend time explaining our industry to the Epicor team. When we told them what we wanted it was more a case of 'Yes, we know what you mean, we've done this before'," says Andy Willis.

Giles Foods set Epicor a challenge for the first phase of Tropos and CODA implementation. The board wanted its new ledgers and sales order entry process to be fully operational in time for the start of its financial year on 1 November 2003 – just five

weeks after agreeing to go ahead with the Epicor solution. This meant transferring all historical data from the existing PC based ledger system and adding new data using Tropos sales order processing, invoice matching, purchasing, engineering stock and costing modules. CODA Financials was implemented so that ledgers could be updated when a sale or stock movement was made.

Integration with EDI was critical to the first phase of implementation. The Tropos interface handled the processing of EDI orders: those going out of the company as well as those coming in. The new interface transformed the EDI procedure. Previously Giles Foods could only receive orders in head office between 9:00 am and 5:00 pm. The orders were printed off and faxed to the relevant site. Each order then had to be manually transferred from the EDI system into the order entry system. After the Tropos implementation, an EDI message can be translated into a file that Tropos can read and list. These orders can be printed off at any site at any time, ensuring much more efficient order handling and faster product delivery to customers. The new system also ensures that special price promotions can be planned and prices automatically executed by the system against the promotion period.

The Giles Foods board also wanted to make major enhancements to its reporting capabilities as part of phase one. COGNOS PowerPlay, a powerful query and reporting tool, was used to display budgets, forecasts and sales information on a monthly basis, based on historical data dovetailed with the new incoming process data provided by the Tropos modules. Microsoft Access provided daily and weekly sales reports on single pages as a simple management tool, showing orders actually shipped and those expected.

"It was the quickest implementation of its type that I have ever seen: a financial system, sales order process and EDI integration in five weeks," says Andy Willis. "That was a big tick for Epicor."

Integration on the Shop Floor

The second phase of implementation was designed to significantly improve the works order process on the shop floor.

Complying with quality specifications (cooking temperatures, colour etc) for each product is a core requirement for the food processing industry. Giles Foods had in the past documented product quality specifications in Microsoft Word, and Word documents were used for hardcopy inspection on the shop floor. Epicor integrated those Word documents with Tropos documentation covering the manufacturing process, using



Access. Now both important sets of information are available for inspection on each side of a single sheet of paper for every product.

Another requirement in phase two of the implementation was to improve the control of goods inwards. Giles Foods get regular deliveries of product ingredients. Now goods inwards personnel can enter and track deliveries on screen, match them against Purchase Order numbers and check quality specifications online.

Phase three, now in preparation, is expected to deliver much better visibility of product costs. The plan is to record issues of stock material into the works order at the time that they move, so that each individual product can be costed as it is built. Once stock movements are logged in this way, Giles Foods will be able to get daily stock balances from the CODA system—a significant improvement on the weekly manual counting system now used for the nominal ledger position. Finished goods control is likely to follow.

As the first clear benefit from the Tropos and CODA implementation completed so far, Andy Willis points to the ability to plan the business more effectively. “We can now look ahead to the next ten days of orders. We also know that the

report information is accurate. Once you get accuracy, it gives you the confidence to plan more comprehensively,” he says.

Accuracy through automation of the sales order process may have already saved Giles Foods money, he believes. Manual systems always carried the risk of lost invoices that were never issued and payments never made. However, the real opportunities for cost savings are likely to accrue through implementation of manufacturing and stock control processes. “If you can trace every ingredient delivered and you can see what each product is costing to make, day by day, it means you are in control. That control means you can make decisions that will reduce costs, measured against your own costing system. Cost control is vital in process manufacturing,” says Andy Willis.

In turn, cost control will enable Giles Foods to be more competitive in its pricing to customers. “With supermarkets it’s all about price points,” he says. Andy Willis’s vision is that Giles Foods management will be able to track the company’s performance from their desktop systems, “drilling down through the business to identify problems and find solutions.”

“Everything we do at Giles Foods is about profitability,” says Andy Willis. “We expect Tropos and CODA to continue to make a major contribution to our profitability in future.”

About Epicor

Epicor Software Corporation drives business growth. We provide flexible, industry-specific software that is designed around the needs of our manufacturing, distribution, retail, and service industry customers. More than 40 years of experience with our customers’ unique business processes and operational requirements is built into every solution—in the cloud, hosted, or on premises. With a deep understanding of your industry, Epicor solutions spur growth while managing complexity. The result is powerful solutions that free your resources so you can grow your business. For more information, [connect with Epicor](#) or visit www.epicor.com.



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