Multinational Dairy Leader Saves Time With Mobile Supply Chain Operations

Fonterra is a multinational dairy co-operative that operates in more than 100 countries and is owned by 10,500 farmers and their families, united by a fundamental belief in the power of dairy to make a difference. An industry leading dairy exporter, Fonterra collects over twenty billion liters of milk each year across four continents.

The Challenge

This global agribusiness leader headquartered in New Zealand has a growing market in Asia. Fonterra Brands Asia Holdings, based in Singapore, oversees sites across Southeast Asia–but managing an international supply chain under strict regulations is a complex task.

With multiple manufacturing facilities using manual inventory management processes, data entry was a time-consuming process prone to errors. As a result, the company dealt with poor traceability, cumbersome lot control and inaccurate inventory balances–all of which negatively impact regulatory compliance.

The Solution

To keep pace with the increased demand for dairy products in Asia, Fonterra recognized a tremendous benefit in reducing user input, simplifying transaction flows and automating inventory management. Fonterra turned to DSI® to provide warehouse automation integrated with the company's existing enterprise system.

With DSI's Platform, Fonterra has the foundation to streamline inbound and outbound manufacturing processes, on or off-premise.

"Lot control and traceability were largely manual–and a complex process," said Paul Ormond, Project Manager, Fonterra. "We introduced the DSI solution on mobile devices at multiple plants to capture inventory in a timely, accurate manner."

The company now uses the DSI platform and solutions to automate tasks in picking, packing, shipping and work order management. Fonterra workers on the shop floor can now capture inventory movements from the point at which they occur. Using the DSI solution on ruggedized devices, workers can access and

Highlights

- Inventory movement captured in real time improved data accuracy

- Configurable solutions and thorough training enabled business self-sufficiency

- Automated data input created substantial time savings by taking data recollection times from hours to minutes

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— PAUL ORMOND, PROJECT MANAGER, FONTERRA

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input data with the system of record to complete purchase order receipts, delivery processing, stock verification and cycle counts, as well as inventory transfers, issues, inquiries and more. And with DSI's solutions featuring pre-built apps, inventory management is quicker than ever, requiring fewer scans to complete transactions. That's because with DSI®, Fonterra employees can automatically decode a range of 2D and 1D barcode formats to determine item, lot, unit of measure and lot control type.

Fonterra found a complete solution in DSI, from a carefully tested deployment implemented by DSI's experts in supply chain optimization to thorough training of Fonterra's key users. Fonterra is now self-sufficient and equipped with a tool that's easily expanded to additional locations and users for a quick time to market.

Additionally, with the DSI solution in place, Fonterra is poised to pursue other efficiency initiatives including Vendor Managed Inventory and Warehouse Management Systems.

The Results

Fonterra now has end-to-end traceability throughout their manufacturing processes. With DSI's Platform, the company has achieved improved visibility, accuracy and timeliness of inventory levels and inventory movements.

Employees are able to trace product in a matter of minutes instead of hours. "We've made substantial time savings with the DSI solution" said Ormond. "A recent search that previously would've taken hours yielded results in only ten minutes."

Challenges

- Strict production regulations create complex management task across international supply chain
- Error prone, time consuming manual processes
- Inaccurate inventory balances
- Poor inventory traceability

Results

- Increased overall efficiency to allow for reduced item tracking time
- Created end-to-end traceability by improving inventory data accuracy
- Simplified regulatory compliance with inventory accuracy

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