

SELGROS

Increase in operational efficiency and improved productivity in compliance with EU quality standards

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About the company

Selgros Cash&Carry SRL, the local subsidiary of the concern OHG Fegro Selgros Gesellschaft für Großhandel mbH & Co from Germany, a member of REWE GROUP Köln, is present on the Romanian market starting with 2001. After opening a first store in Brasov, the company yearly inaugurated a few new stores in the main Romanian cities, aiming for a minimum total number of 21 stores. Nowadays, the company employs over 5.500 people in its 17 Selgros stores in Romania, having a staff of some 190 employees at the central head office in Brasov.

Our client's situation

Selgros Cash&Carry SRL, the local subsidiary of the concern OHG Fegro Selgros Gesellschaft für Großhandel mbH & Co from Germany, a member of REWE GROUP Köln, is present on the Romanian market starting with 2001. After opening a first store in Brasov, Selgros Romania rapidly evolved on the local retail market by opening every year new stores in the main Romanian cities. The complex activity of the 17 stores of the Selgros network, the management of over 41.000 food and non-food products, but most of all the need for a traceability solution in the own meat production area to comply with the new standards of the European Union, have determined the company to identify and implement a dedicated management tool, that would allow for fast adaptation to market requests in an environment with an increased competition level, in which big players from the international market are operating.

FoodVision, the chosen solution which was at first implemented in a pilot project in Brasov (only to be later extended to all Selgros stores in Romania), has been elected after a rigorous analysis of existing applications in which the German company MODUS Consult EDV and the company Novensys played an important role, Novensys being a traditional partner of Selgros Cash&Carry in Romania (already in its first year of activity on the Romanian retail market, Novensys implemented at Selgros in Brasov a project for store management and inventory, based on mobile computers). A major role in choosing this solution played the compliance of FoodVision with HACCP

standards, the EU Directive 178/2002 and with the international regulations Food Standard, thus being a solution widely used in various countries of the European Union.

The solution

Based on the application Microsoft Dynamics NAV, FoodVision is a specialized application designed for the food sector with superior features for traceability and production management, but which can also cover business areas specific to an end to end information management system (financial management, supply chain management, Business Intelligence, staff and payroll management, logistics, sales force and warehouse automation, etc.). FoodVision addresses the specific needs of manufacturing companies in the food industry (meat processing plants, livestock farms, abattoirs, meat and meat products distributing companies, retail chains, etc.). The solution covers elementary features meant to increase productivity – production costs reduction and increased reaction speed to demands on the market – and comes with an additional set of specialized features. For example, the application offers superior food traceability features – at the product's receipt, the system assigns a batch number to every item, a number that will also be assigned to all products resulting from the initial item. The batch number, which is part of the bar code on the final product, ensure the identification of all customers who bought products from that batch, allowing for the fast withdrawal of product batches from the market if a problem occurred with any product from that batch.

„In time, Romania has been the scene of many mass-media scandals concerning the contamination of food products. FoodVision is the required tool for every company that comes into the inconvenient situation of withdrawing a product from the market. The development of such an internal localization system improves the efficiency of product identification, return, market communication, but also the costs resulting from these processes“, pointed out Andrei Caunii, Managing Partner Novensys , as one of the main advantages of this solution.

Therefore, by being able to trace a product's history and that of the rough materials it consisted of, this process becomes very fast and simple in the food chain (receipt, transportation, storage, procession, distribution and sale). The application reveals all risk and enables their control and elimination in a very efficient way, while complying with food safety management standards at the same time.

Benefits

Because it is a solution specially designed for the food industry, FoodVision includes specific features, enabling the improvement of efficiency in this industry's manufacturing process, such:

- calculation of recommended quantities and verification of planned results;
- identification of required ingredients and of the products that can be manufactured using these rough materials;
- calculation of nutrition values;

- network management;
- product life cycle management for highly perishable products;
- waste management, etc.

At the same time, the application covers all business areas of an Enterprise Resource Planning – ERP solution (based on the application Microsoft Dynamics NAV), including: purchase modules, sales and delivery; a routing module; batch management and tracing; production planning, a quality documentation system etc. Therefore, FoodVision benefits from all advantages of the Microsoft Dynamics solutions, offering the possibility to replace a heterogeneous information system, consisting of solutions that are not integrated and thus can not efficiently communicate with a single, completely integrated solution connecting the entire company to its customers, suppliers and business partners – anytime and anywhere. Thanks to the high capabilities of analysis and reporting, FoodVision is the ideal answer to the documentation requirements of companies operating in the food industry, enabling them to process a high volume of information covering the entire system, from manufacturer to distributor, and offering accuracy and information in real time. All these advantages result in an increased productivity and in the simplification and increased efficiency of processes. Thus, FoodVision ensures:

- 10 to 30 % increase in turnover by improved process efficiency and by quality improvement of the products;
- fast return on investment through process automation;
- staff expenses optimization within 12 and 18 months;
- significant decrease of up to 20% of training expenses;
- decrease in costs related to IT by 10%.

The advantages of hardware integration

Fast interfacing with a specific hardware infrastructure, consisting of cutting-edge equipment such as process computers designed for manufacturing environment, mobile computers, bar code printers, scales, cash counting devices, thermometers, equipment measuring the amount of fat in animal carcasses, etc., added value to the FoodVision solution implemented in the Romanian Selgros stores. Novensys' integrator competences in this business, as well as the broad range of solutions of its greatly contributed to the success of the implementation at Selgros Cash&Carry SRL. Therefore, the FoodVision implementation allowed for fast interfacing with Zebra S4M printers.

The Zebra S4M printer (Zebra) is one of the most reliable and best value solutions currently on the market, addressing most label printing applications, compliant with the latest standards in this industry (compliance with Unicode for faster printing, in many languages, to answer global requests). The low purchase and maintenance costs (TCO), the ease of use, multiple connectivity capabilities (serial and parallel interfaces, USB, internal Ethernet 10/100 or IEEE 802.11b/g), the compatibility with other Zebra printers thanks to the common programming language (ZPL or EPL), the APL



programming language enabling migration from other printer brands to Zebra S4M without the necessity to modify label formatting – all these are only a few of the advantages that would recommend the Zebra S4M as first option.

Lower costs and improved control

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