



"We want to broaden our range of capabilities for continuous improvement. Thus, RedPrairie's® broad suite of advanced supply chain applications was critical in our selection process."

Steve Nielsen,
Vice President of Operations, Border Foods

The Customer

Border Foods is the world's largest processor of green chile peppers and the United States' largest processor of jalapeno peppers. To complement its green chile and jalapeno business, the company also manufactures enchilada sauces, salsas, dry dips and other pepper products. Border Foods operates manufacturing plants in Deming and Las Cruces, New Mexico and warehouses across the U.S. to effectively serve its customers.

The Challenge

Border Foods Needed a comprehensive warehouse management solution with rapid implementation to position Border Foods for their busiest production season, spanning from early July to mid November. Additionally, the company needed greater inventory accuracy and visibility to reduce write-offs issued each year at the end of their physical inventory count. Lastly, Border Foods wanted to increase customer service levels as part of an overall initiative to expand their share in the specialty foods market space. Dramatically improving customer service, however, would require a significant increase in inventory awareness and throughput, goals that could only be achieved through an automated warehouse management system. Based on their aggressive goals, Border Foods scratched their original idea of using JD Edwards' Manufacturing System, deciding rather, to evaluate best-of-breed warehouse management systems to achieve their objectives.



Border Foods chose RedPrairie's Warehouse Management system to replace their manual approach. Additionally, RedPrairie's Web Visibility solution was implemented.

The Solution

In light of their plans to optimize supply chain operations, Border Foods came to the realization that automating warehouse operations would achieve the granular visibility and precise inventory management they sought - a key factor to seasonal business success.

With respect to the 2005 growing season, they wrestled with the idea of maintaining their existing manual warehouse processes, or quickly implementing an automated system that would be ready for the '05 production season and future operations. After reviewing RedPrairie's technology and integration capabilities, and realizing that a competitor had successfully transitioned to RedPrairie's WMS, Border Foods selected the organization as their supply chain solutions provider. A contract was drawn for the implementation of Warehouse Management and Web Visibility Solutions across Border's Deming and Las Cruces, New Mexico facilities before the peak production season. Deming, a 300,000 square foot facility running two shifts on a 20 hour operation, would be the first site for deployment.

"We carefully researched supply chain solutions to find the best provider for our operational requirements. RedPrairie offers unparalleled functionality and expertise specific to the food and beverage industry. We felt confident that they understood our unique distribution environment and would enable us to achieve our business objectives."

David Ockleshaw
Chief Executive Officer, Border Foods

Border Foods did not have a WMS in place prior to RedPrairie's implementation of Warehouse Management. Consequently, the technology deployment was a significant culture and discipline change for its users. Deeming it a successful

implementation, Border Foods feels much of the credit can be attributed to the accessibility and interaction with RedPrairie's project service team, combined with Border Foods' strong focus on business processes. This provided a very clear direction for RedPrairie's implementation team. To facilitate a smoother implementation and rollout, RedPrairie brought in Spanish speaking personnel to bridge the communication gap that existed with the approximately 75 percent of Border Foods' personnel that speak Spanish exclusively.

The contract between RedPrairie and Border Foods was signed in March 2005, with go-live occurring that July. A testament to Border Foods' commitment to this project was their insistence on leading the conference room pilot, demonstrating the system to their own users on its "maiden voyage."

The Results

Within a week from go-live, Border Foods was shipping full day volumes that approached a peak of 38 trucks per day, up from their pre-WMS system average of 20 trucks per day. This represented the largest number of single day shipments in the company's history. Border Foods also realized markedly improved order fulfillment rates that

encroached percentages in the high 90s, after the system enabled them to balance inventories to meet customer needs. Inventory accuracy climbed to more than 95%, with Border's own admission that visibility has become as close to perfection as an organization can come. The added visibility has allowed Border Foods to clearly identify stock availability as they receive orders. Additionally, it has enhanced production planning by facilitating weekly reviews that are sales forecast driven on one side of the business, and production driven on the other side.

Building on the success of the first implementation, Border Foods plans a second implementation phase to expand its capabilities. This will include raw material handling, extended visibility through its multi-location distribution network, and broader ERP integration to JD Edwards' work orders and bill of materials. Adds Steve Nielsen, Vice President of Operations at Border Foods, "We want to broaden our range of capabilities for continuous improvement. Thus, RedPrairie's broad suite of advanced supply chain applications was critical in our selection process."

Specific Benefits Received

- A timely, 3-month integration with JD Edwards
- Up to 90% increased throughput and shipping volume
- Virtual elimination of annual inventory write-offs
- The ability to ship in true FIFO, with visibility to their inventory aging process.
- 95% + inventory accuracy

For more information

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