

NexTec and Sage X3 help ARA Food Corp keep a hungry market satisfied

ARA Food Corporation

Industry

Food and Beverage

Location

Miami, Florida

System

Sage X3

Challenge

ARA Food Corp was relying on separate accounting, manufacturing and reporting applications that threatened its ability to respond to growing demand.

Solution

Implement Sage X3 with the assistance of NexTec Group's food experts to link accounting, manufacturing and reporting tasks to position the company for its current and anticipated growth track.

Results

- Manufacturing data is captured in real time and linked directly into accounting, saving time and improving accuracy
- Time saved is now used to analyze and improve plant functioning
- Reports and detailed cost tracking help optimize scheduling and resource allocation
- Improved traceability, quality control and recall management ensure compliance and consistency

Plantains are a food staple throughout the world's tropical regions—in fact these cousins of the banana rank as the tenth most important staple food in the world. Plantains are also a staple at ARA Food Corp. This 40-year-old, family-owned company proudly calls itself “The Home of the Plantain Chip” and is the only US manufacturer of the extraordinarily popular snack food. Operating out of its headquarters in Miami, ARA Food Corp ships its savory snacks throughout the country, both under its own brand and private labeled for other companies.

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Marta De Varona, VP of Finance and Administration, ARA Food Corp

Positioning for growth

When the company recognized that its rapidly growing operation needed a comprehensive process manufacturing solution, it selected Sage X3, supported by the food manufacturing business experts at NexTec Group.

“We saw steady growth in our future and wanted to better position ourselves to scale our operations,” recalls Marta De Varona, VP of Finance and Administration for ARA Food Corp. “We were using an older accounting software package with a stand-alone manufacturing application and lots of spreadsheets. We were limiting our growth potential with all the manual steps and poor visibility.”

ARA Food Corp hired an ERP consulting firm to help them identify a new business management solution and implementation partner. “NexTec Group and Sage X3 just stood out, De Varona says. “The functionality of Sage X3 matches the way we work, and we really liked Sage X3's user interface. For such a sophisticated product, it's incredibly user friendly.”

“NexTec was outstanding right from the beginning,” says De Varona. “They took us to visit a reference company—another food manufacturer—and we were impressed by what NexTec had done there and the confidence the reference had in NexTec. We didn't have the same confidence in any other implementation partner that we spoke with.”



Success Story: ARA Food Corp



De Varona describes the implementation as surprisingly easy. “The NexTec team was knowledgeable, easy to work with and highly organized. They were real leaders throughout the project, and their planning and follow through made it feel easy. We went live at 4:00 am on a Monday morning, and the NexTec team was right there with us which really impressed me.”

Real time replaces after the fact

With Sage X3, ARA Food Corp has transformed its manufacturing accounting from an after-the-fact function to a real-time operation. “Previously, we spent the next day keying all the production data into our software,” explains De Varona. “Now, we have laptops on the shop floor and are capturing manufacturing data in real time—when and where it’s happening.”

Capturing manufacturing data on the shop floor not only saves data entry time and improves data accuracy, it also provides immediate visibility into the whole production cycle. “We’re out in front of operations now,” notes De Varona. “We can spend our

time analyzing and improving plant functioning not simply collecting and entering the data.”

Quality and compliance are in the bag

As is true for all US food manufacturers, ARA Food Corp must comply with food safety requirements covering traceability, quality and preventative controls. It must account for and track all of its raw materials and finished goods throughout the production process and be fully recall ready. Sage X3 provides the bidirectional ingredient and product traceability, quality checks, allergen management and expiration date tracking to ensure ARA Food Corp remains in full compliance.

Another way Sage X3 is adding value to ARA Food Corp is through highly accurate and detailed cost tracking. “We’re now able to track scrap and waste in ways that weren’t feasible before,” says De Varona. “It’s been very helpful both in honing our own practices, and also to match scrap and waste back to the source of the plantains. We’ve identified suppliers from which we receive a higher amount of scrap and waste and work with them to help them improve their handling procedures.”

Identifying areas for improvement

Combining skilled configuration with professional programming, NexTec has tailored Sage X3 to meet the company’s unique operating procedures and workflows. “With NexTec’s help, we’re continuing to expand our use of the software, adding additional capabilities such as Production Scheduling, and discovering new efficiencies,” adds De Varona.

Rapid production capabilities

Unlike many other process manufacturers, ARA Food Corp is a make-to-order enterprise. “We maintain very little stock, as our ingredients come in fresh every day,” explains De Varona. “Our lead time from order to shipment is just a few days. We claim that we have the least number of days from production to store delivery in the market. The capabilities of Sage X3 help us achieve that speed and level of agility.”

The short lead times can also complicate production scheduling. The company must have a clear understanding of seasonal trends in sales as well as seasonal production variations of its plantains. “We’re using Sage X3’s Business Intelligence capabilities to produce production planning reports that help us ensure we’re optimizing all our resources,” says De Varona.

“NexTec does an amazing job for us. We have nothing but good things to say about their skills, professionalism, responsiveness and level of support,” concludes De Varona. “They have guided us through the transition to Sage X3 and continue to positively contribute to the value we get out of the solution.”

About NexTec Group

NexTec Group is a leading business software provider, delivering comprehensive Enterprise Resource Planning (ERP), Customer Relationship Management (CRM) and Business Intelligence (BI) solutions targeted to the unique needs of our clients. NexTec is the largest Sage X3 provider with deep experience in the food and beverage industry.



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