

Nortura EWM Solution

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Nortura
bondens selskap

Agenda



1. Nortura at a glance
2. NOVA project
3. EWM project: background, scope, solution and timeline
4. Benefits



About us

Nortura is one of Norway's biggest food manufacturers, with well-known brands such as Gilde and Prior.

We work hard to promote food enjoyment, health, sustainability and value-creation across the country, every day.



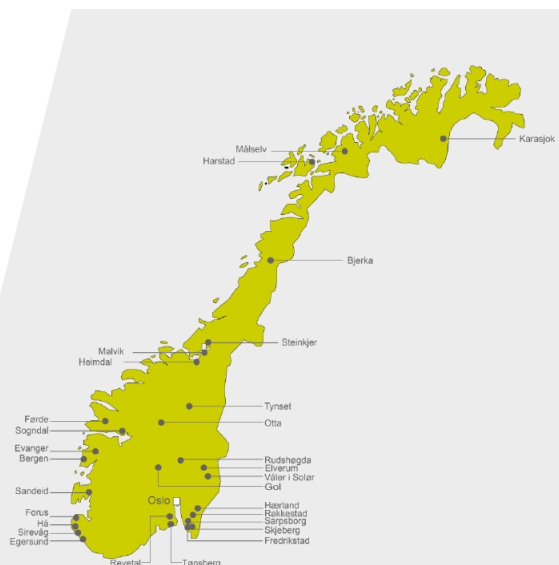
Purpose

To sell our members' meat, eggs, live animals and wool so that they get the best possible return on their livestock production – in the short and in the long term.



Across Norway

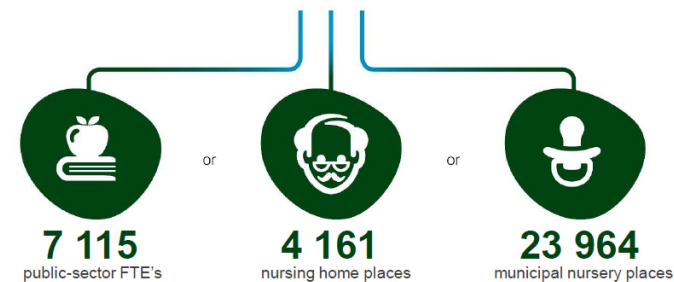
- Sales of NOK 23 billion
- 4,900 full-time equivalents
- Owned by 17,700 farmers



Nortura adds significant value to the community

NOK 4,8 billion

In taxes and fees can find:



Source: Samfunnsøkonomisk analyse AS

The calculation example is based on the average cost per full time equivalent in the public sector, the average cost of a nursing home place and the average cost of a nursery place.



The NOVA Program Shall Ensure Business and Technological Improvements for Nortura



Today

- Current system and IT-portfolio represent major risks for Nortura's business
- Nortura will be exposed to new business opportunities/ processes that require other and more efficient IT systems
- Current system portfolio requires a lot of manual corrections and input and complicate processes and tasks
- Major risks related to current technology, custom made solutions, skills and competence as well as overall system architecture

Objectives for the programme

- Realize business opportunities to reach Nortura's ambitions for reduced operation costs and increased EBIT/EBITDA.
- Modernize Nortura with a technological shift implementing standard business solutions.
- Pave the way for an increased performance culture in Nortura planning and positioning for future growth.



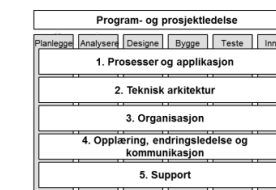
Business Opportunities



Technological Modernisation

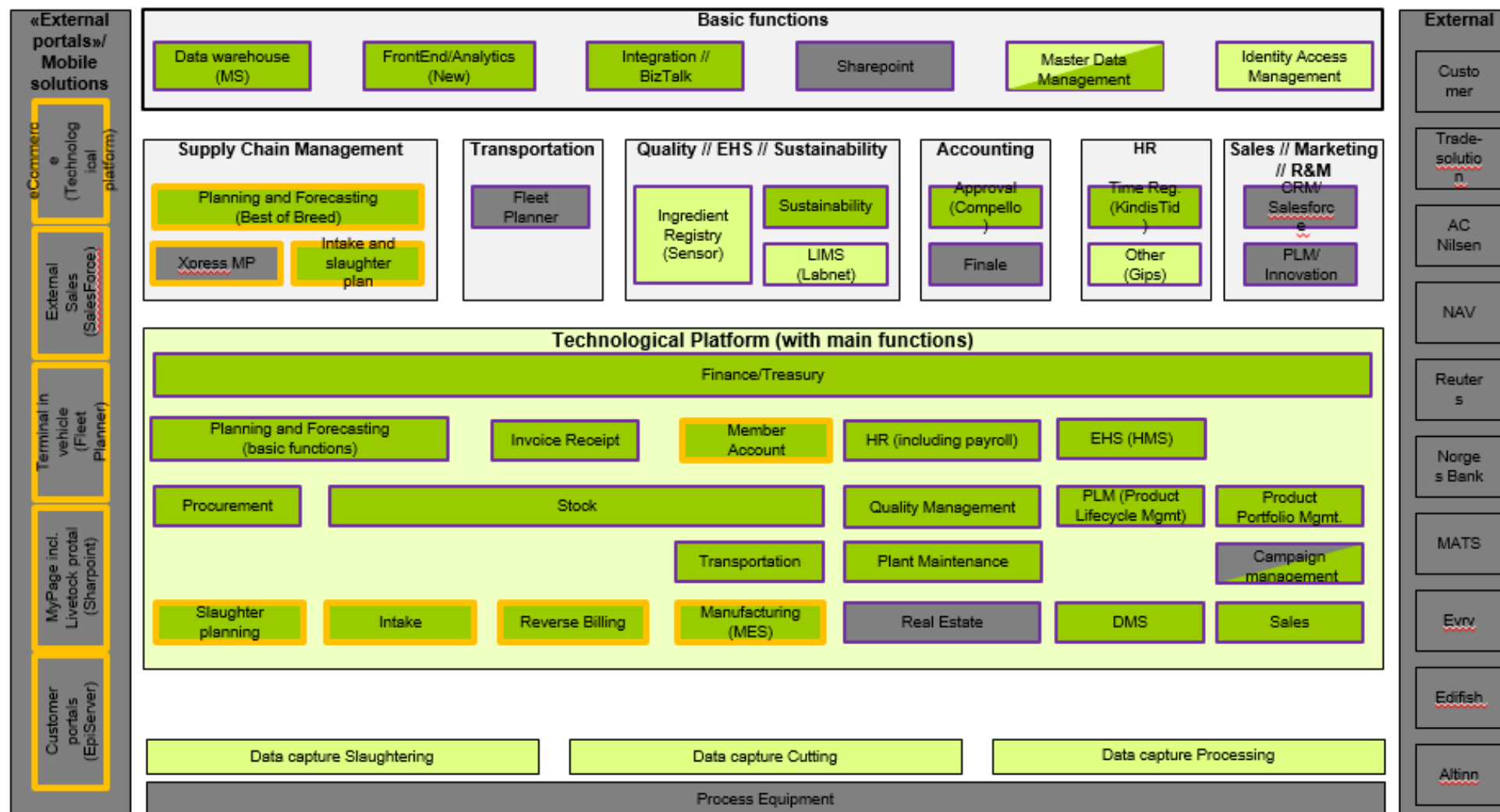


Performance Culture



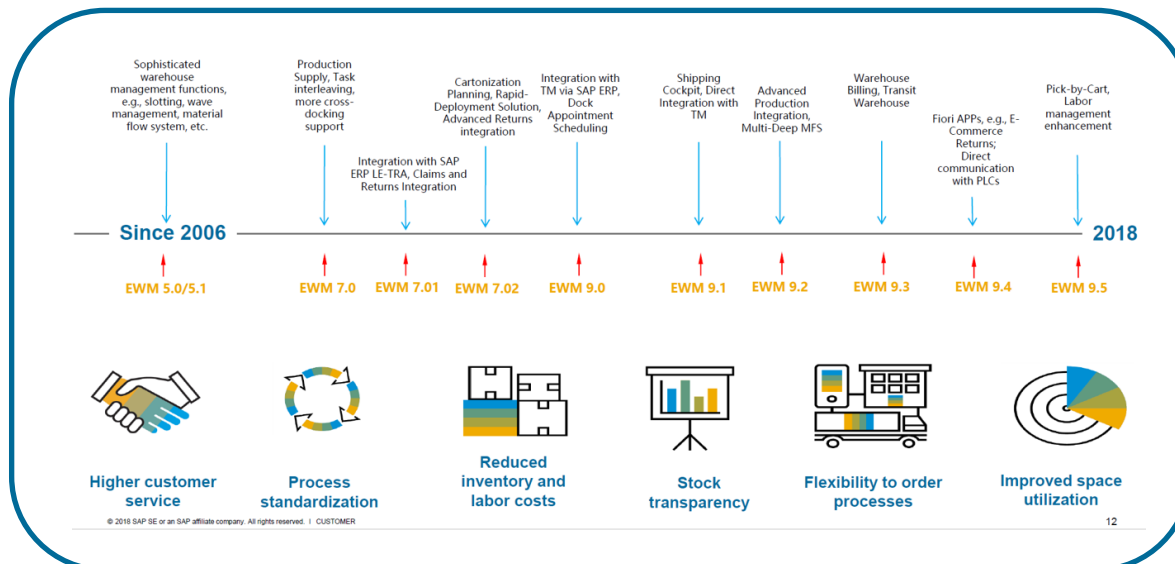
Successful Implementation

Target Solution Overview After NOVA Program in Nortura



Program: In scope For evaluation Out of scope **Pace Layering:** Differentiating systems Transaction systems

SAP EWM – the Strategic Platform

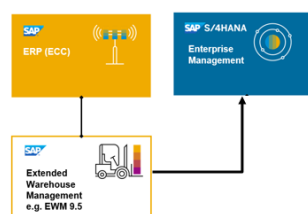


Business Reasons for Decentral EWM

- Focus on High-volume warehousing, optimization & automation, regional operations
- Dedicated performance for warehouse operations
- Deployment of EWM server close to warehouse or in same region / time-zone
- Connect multiple ERP Systems to a single standalone EWM
- Connecting to non SAP ERP system (project solution)
- Independency of downtimes of ERP system

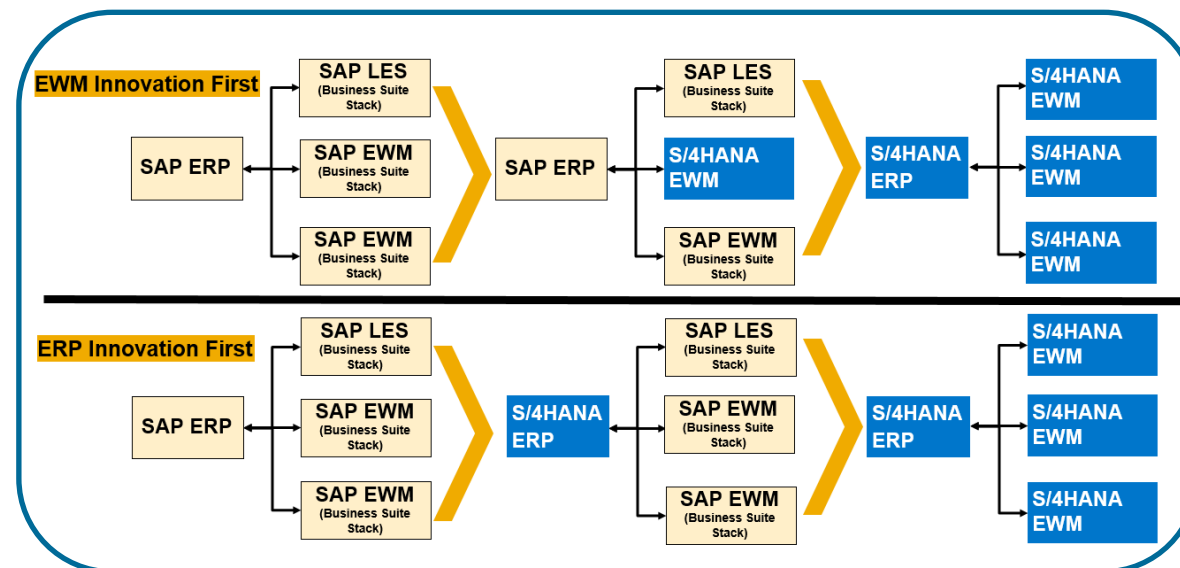
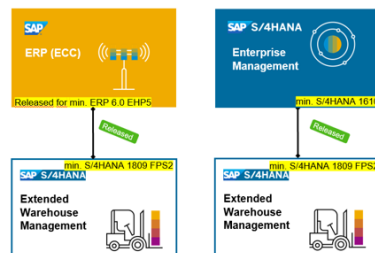
SINCE 2006

- Business Suite SAP EWM available as a standalone application on separate instance
- Deployable on SCM server or on SAP Netweaver on SAP HANA or Any DB
- Connected to multiple ERP systems including SAP ECC or to SAP S/4HANA (from 2015), using same integration technology

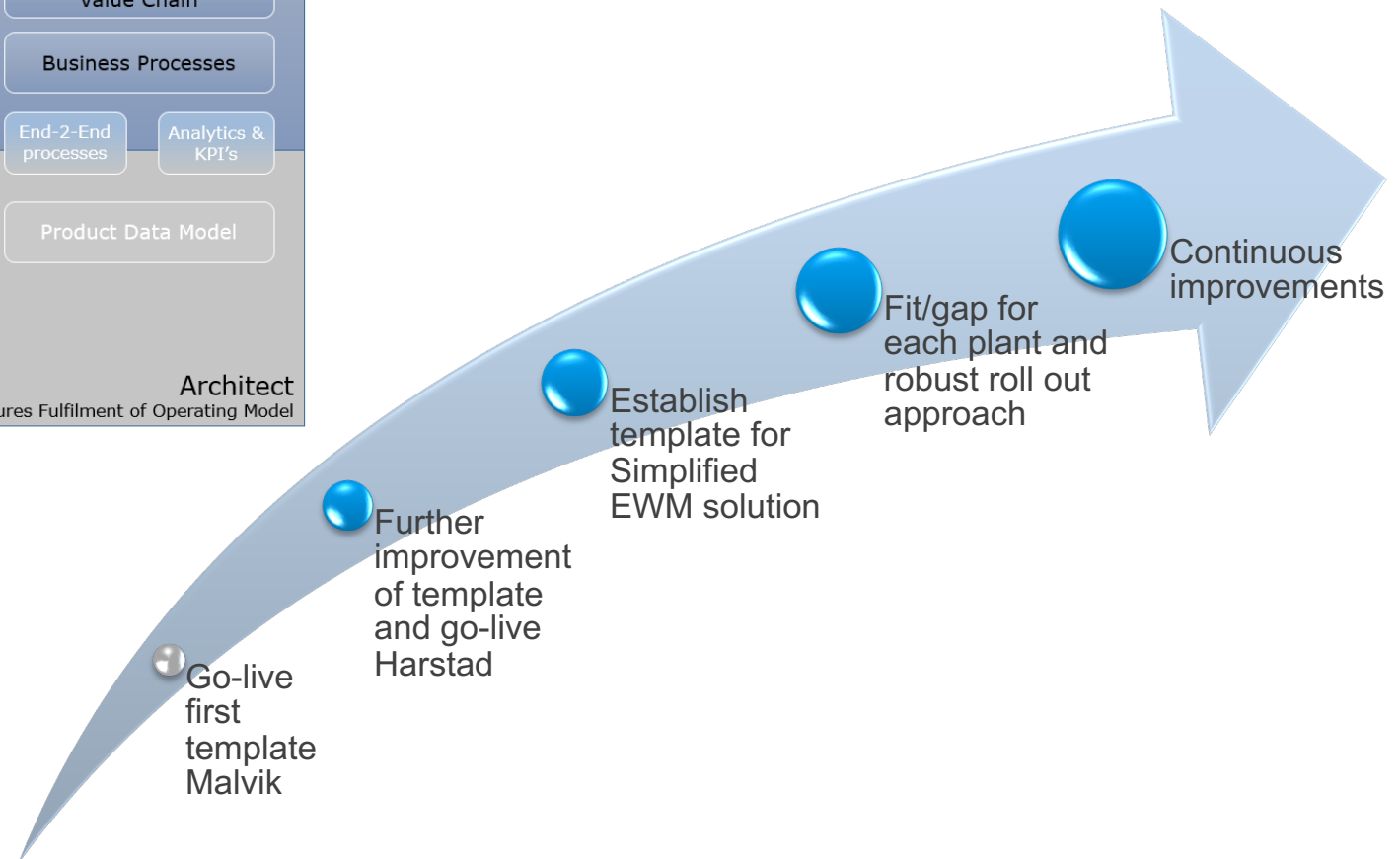
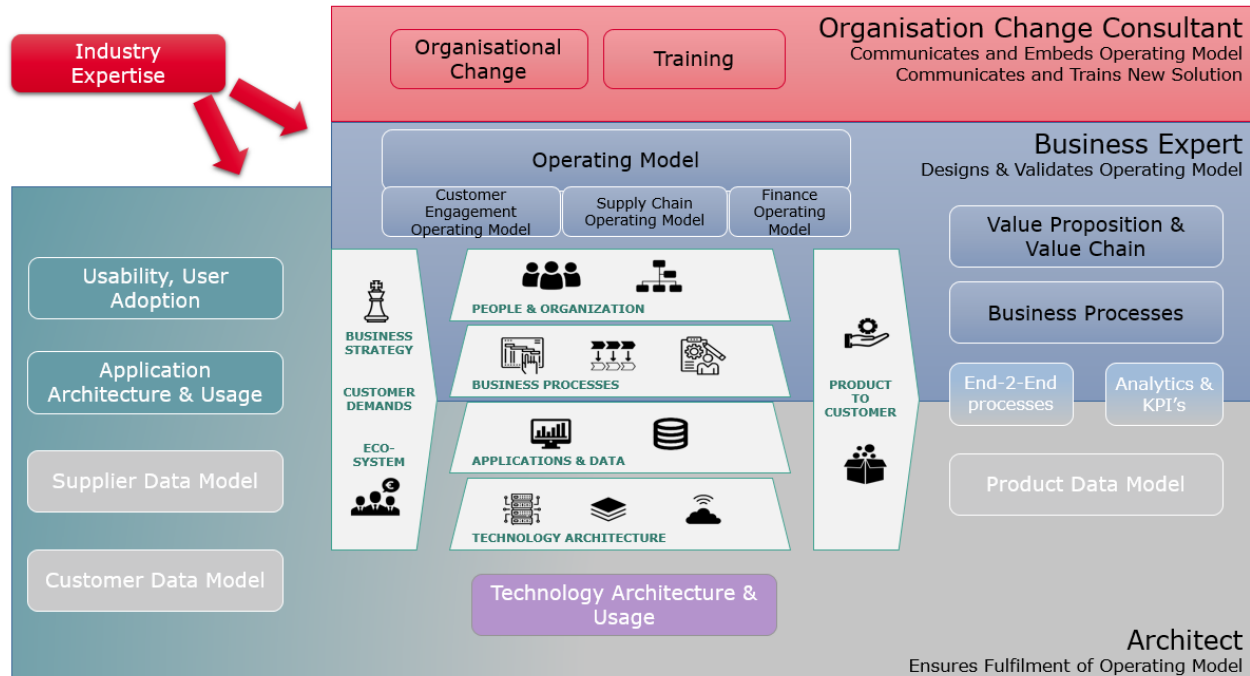


From SAP S/4 HANA 1809 FP 02 (May 2019)

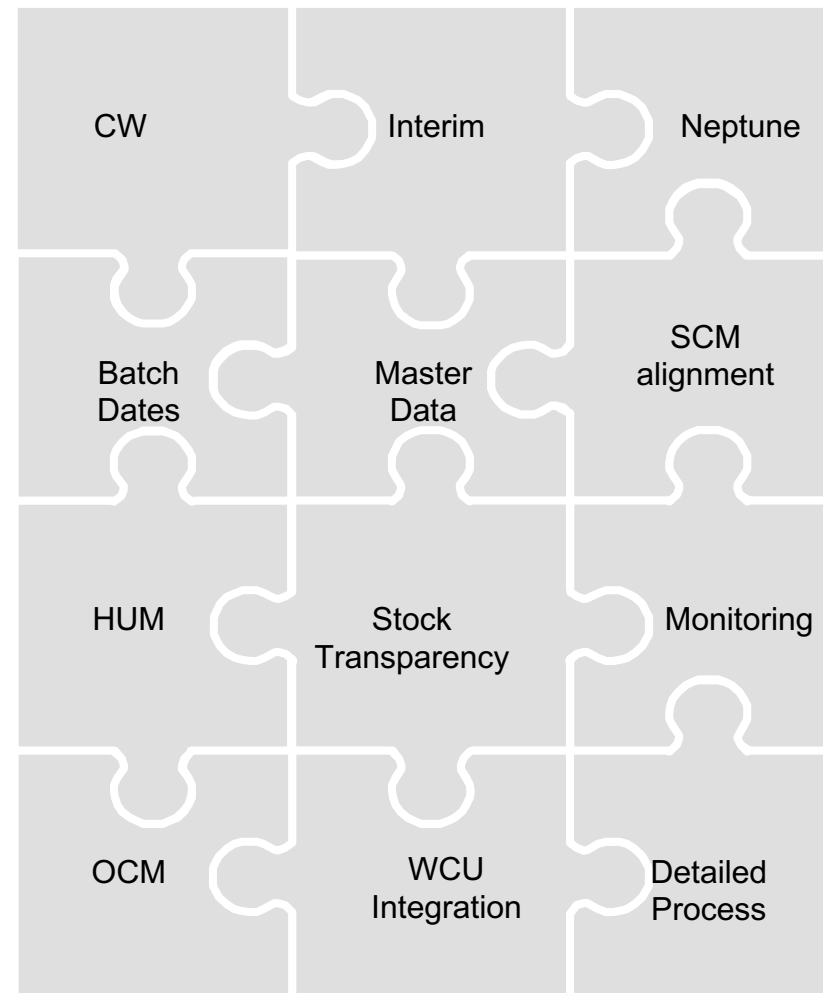
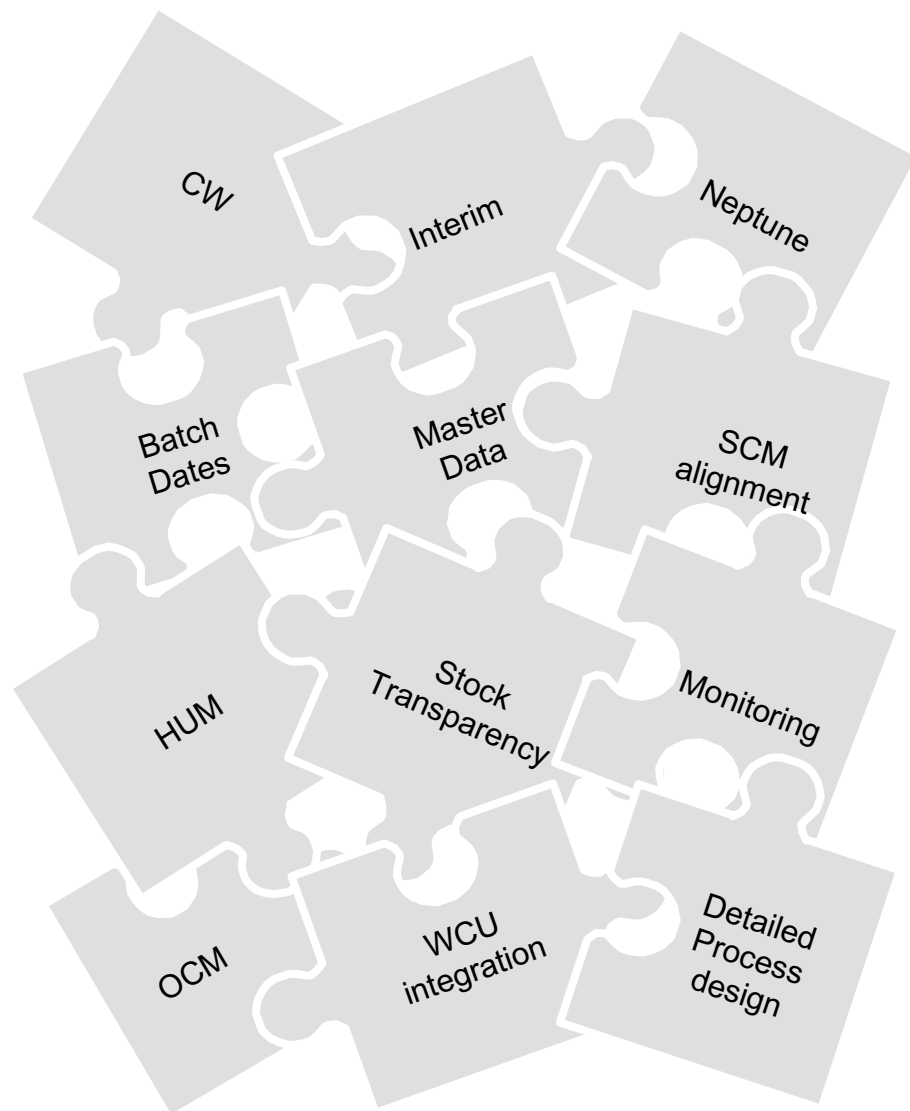
- S/4HANA will be the future platform for de-central EWM applications
- Same application built on S/4HANA stack
- S/4HANA where only EWM is used to support warehouse operations
- Connecting to SAP ERP and S/4HANA systems



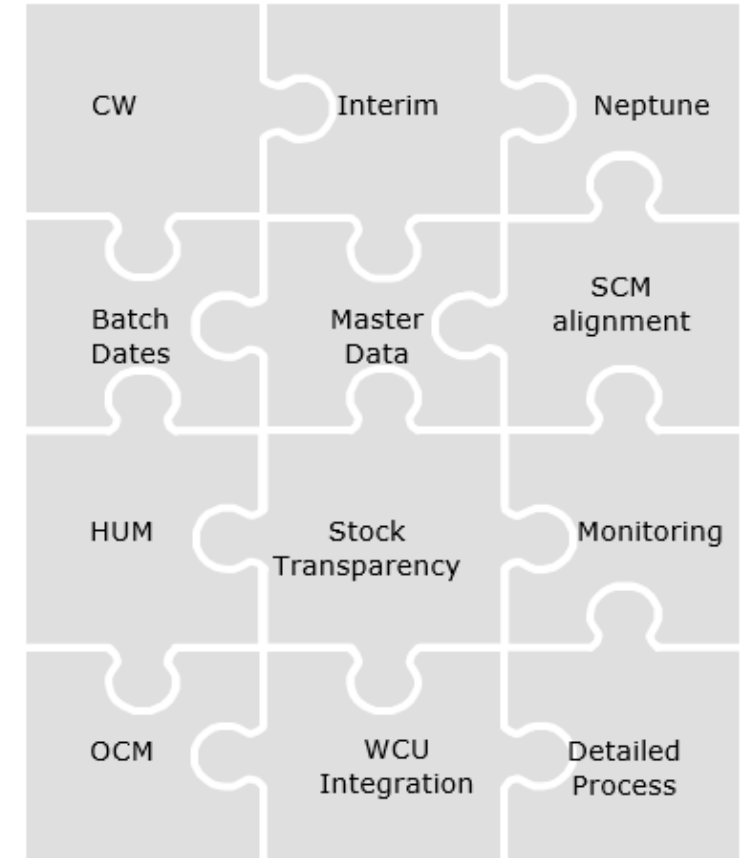
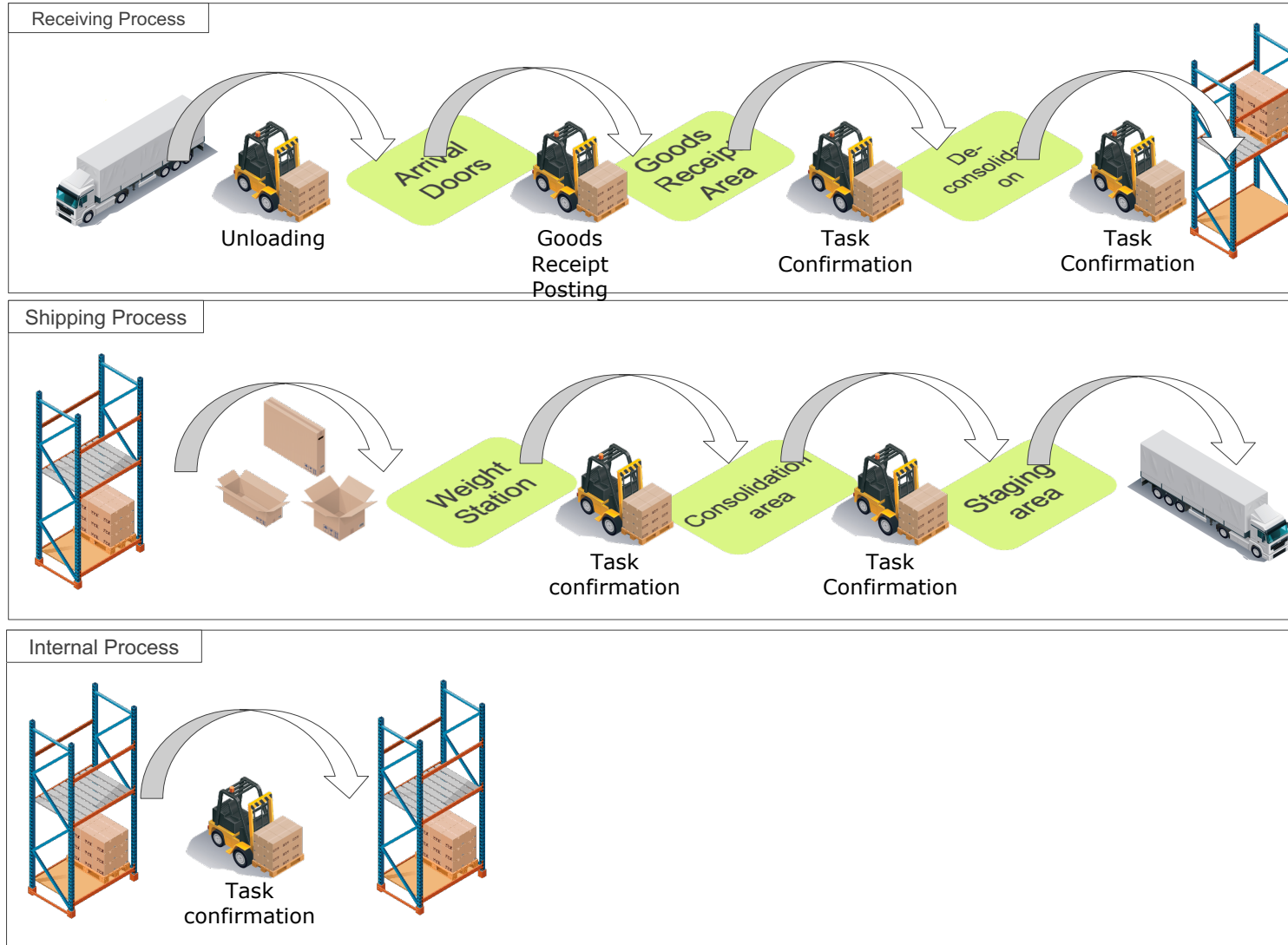
SAP EWM Template Approach



Project Challenges

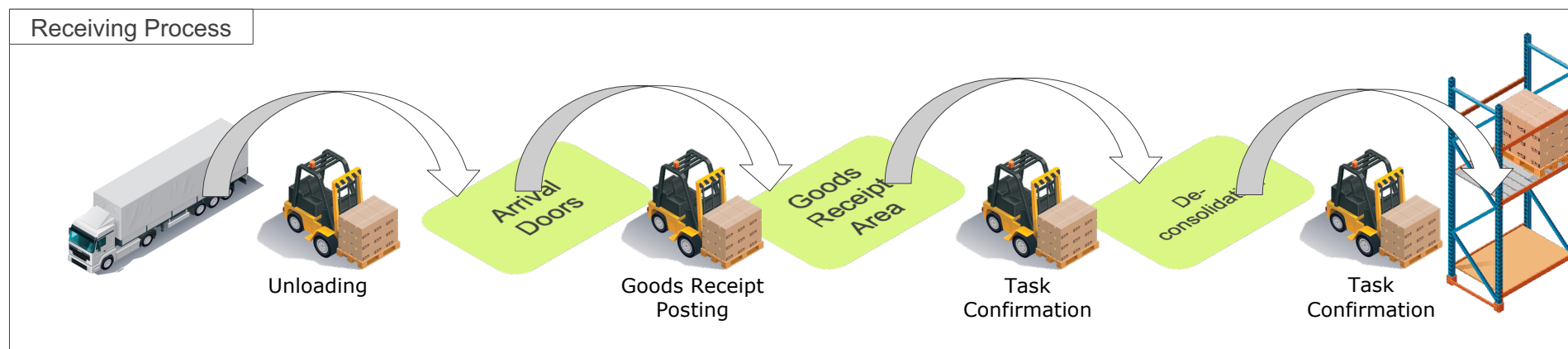


Nortura EWM Processes

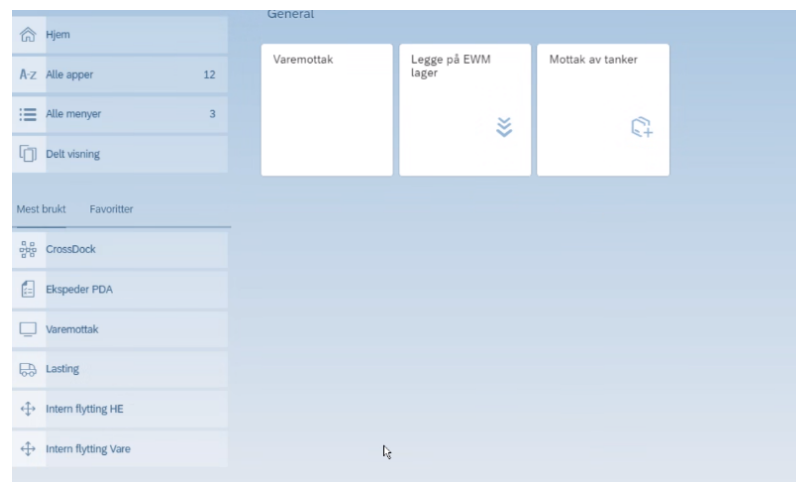


- Different distribution types:
 - Cross Dock
 - Wholesaler Distribution
 - Stock Transport Orders

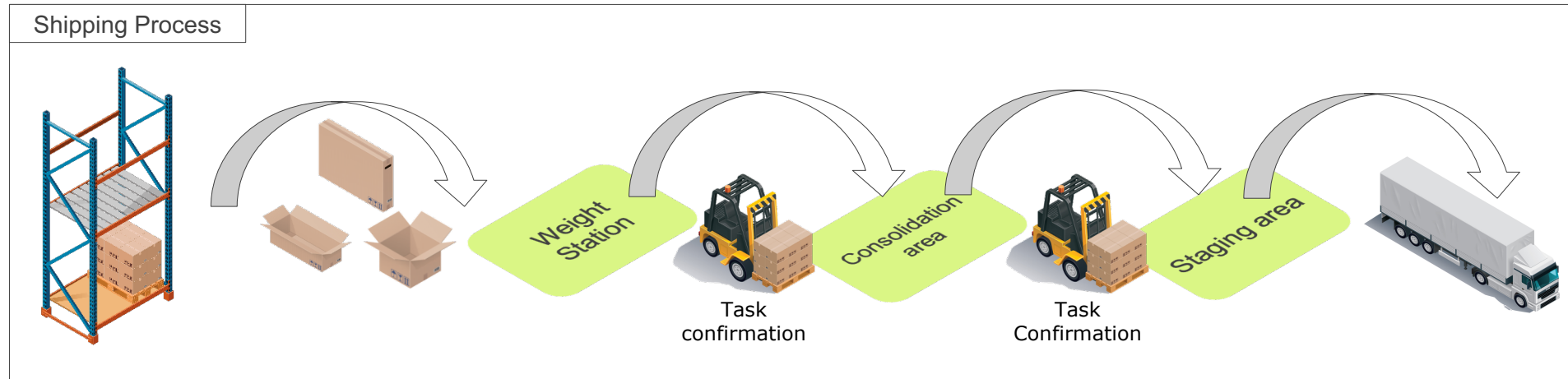
Nortura EWM Processes



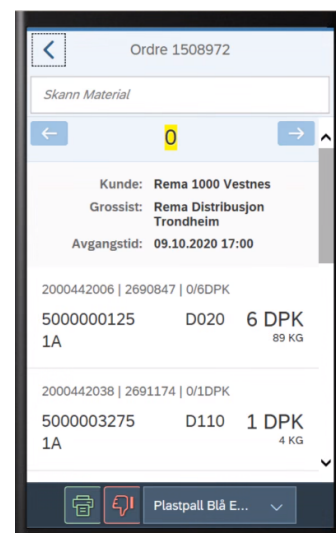
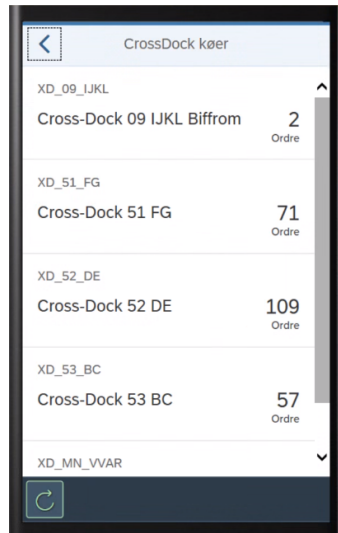
- Goods receipt from external vendors and other Nortura plants
- Data quality and disciplin is essential in this process:
 - Both quantity and weight are required
 - Batch including dates (Wholesaler date, Retailer date and Expiration date)
 - Handling Units introduced to simplify logistic processes
- Interim period to be supported



Nortura EWM Processes

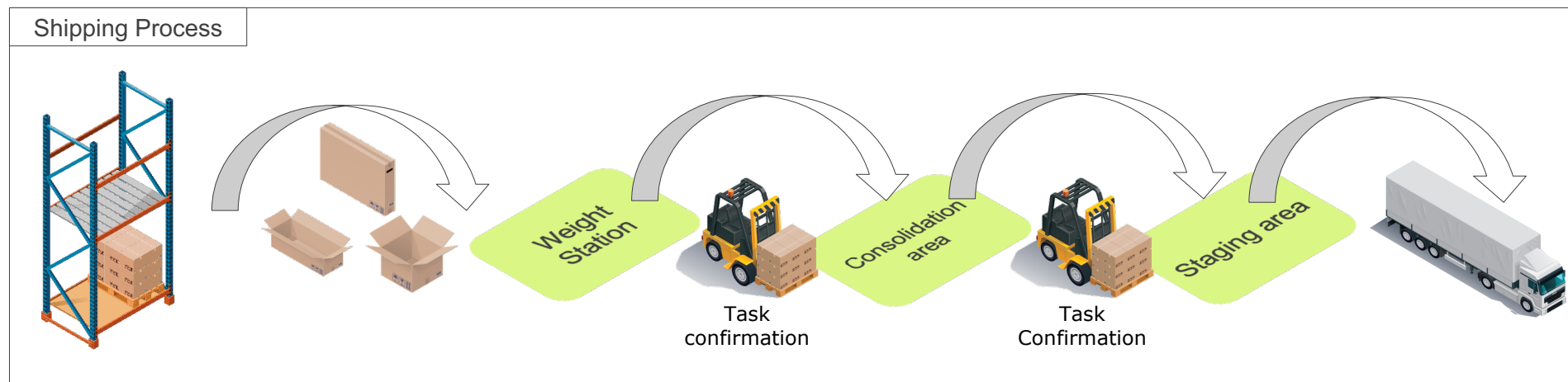


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- Outbound process support both Customer Order and delivery to other Nortura plants
- Picking is released in waves to support a planned workload in the Warehouse
- Complex rule sets to determine correct batch dates for each individual customer group or plant
- Picking is performed in Neptune app

Nortura EWM Processes



Arbeidssenter: ZW15 Veiestasjon 15 Åstøppen Tønsberg Varegruppe: V 2000 PROFF VARESAMLING 1

TE: 81249 UO: 2000442671 Rute: 21C016 Bolge: 26339

Kilde-HE: 570396177100044271 Batch: 256461
 Destinasjons-HE: 970372060104948806 Material tekst: kylinglår 2kg pk
 Pakkemateriale: Plastkasse Gilde Material nummer: 5000000171
 Pakkevekt: 2.020KG Axapta: 393294
 Antall per Bakk: 4FPK Holdbarhetsdato: 20.10.2020
 Antall per D-pakk: 0.020 KG Grosslist: Asko Øst AS (Debet) VM
 Emballasjevekt: 0.020 KG Kunde: Matfikseren AS
 Fiktiv D-Pak: TE: 81249

Vekt 1 Vekt 2

P9 - Manuell inntasting (O) - Skann vekt

Tarer til: (J) - pakkemateriale ve(K)l

Skann

12.680

58 FPK av valgt vare i kilde-HE

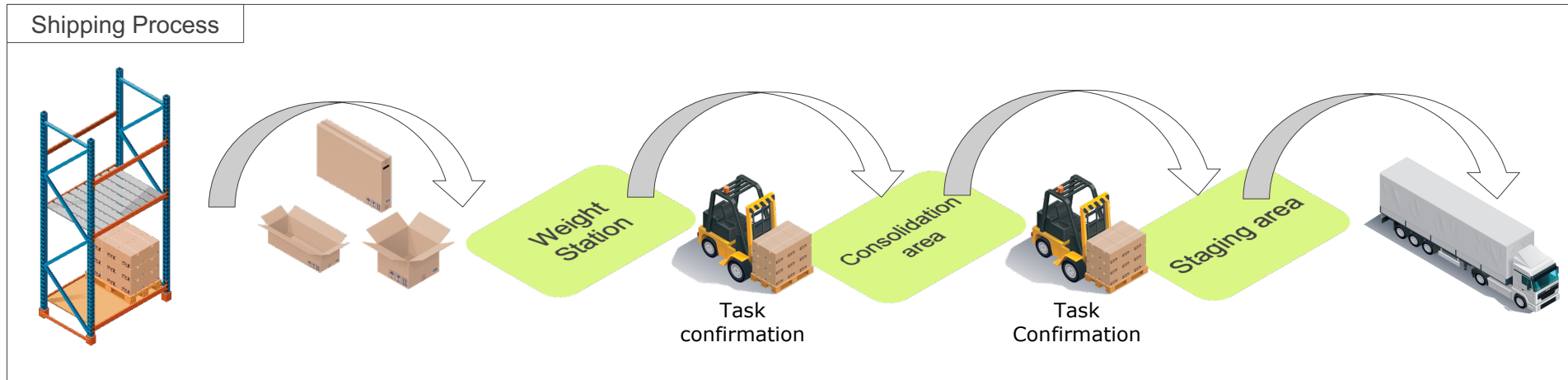
Av Auto På

(B) - Fortsett me... P8 - Fyller kolli

Type	LOpp	Material	Materialtekst	Antall	Vekt	Batch
1089471	5000000171	Kytinglår 2kg Pk	0 / 10 FPK	0.000 / 20.000 KG	256461	
1089519	5000000171	Kytinglår 2kg Pk	0 / 5 FPK	0.000 / 10.000 KG		
1089521	5000000171	Kytinglår 2kg Pk	0 / 5 FPK	0.000 / 10.000 KG		
1089396	5000000171	Kytinglår 2kg Pk	0 / 23 FPK	0.000 / 46.000 KG		

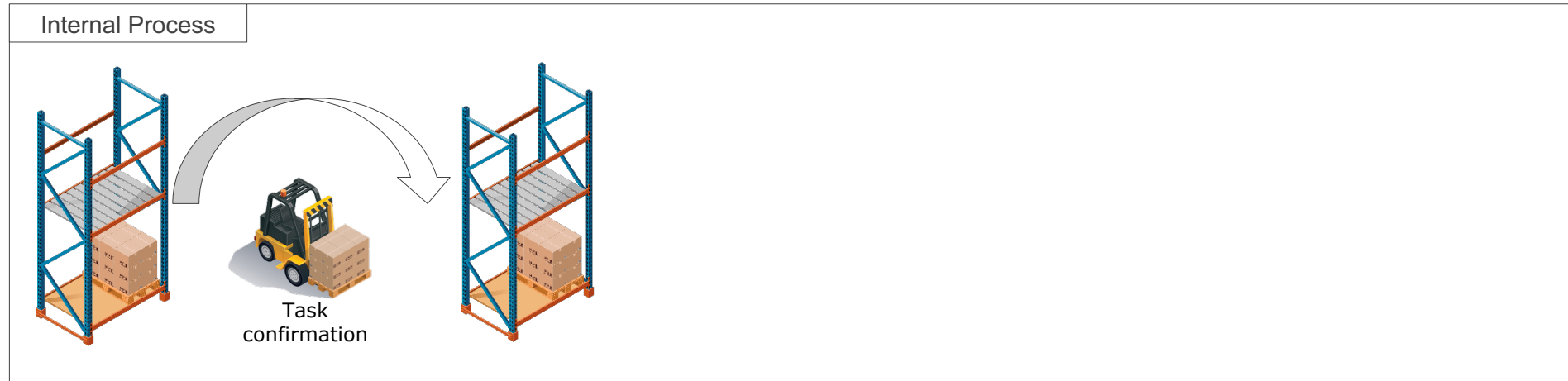
- For products with variable weight, the picking and packing is done on Neptune Weight Station with connection to weight device
- Different types of Weight Stations defined supporting high or low volume products
- Weight stations based on SAP EWM Work Center logic

Nortura EWM Processes



- After Picking and Weight station processes are performed, the products are consolidated on pallets according to rules for customer or route
- Consolidation is performed on Neptune app
- When the truck arrives, the Truck ID is entered on Neptune Loading app and pallets are loaded to the truck by scanning
- Full transparency of Handling units (location and status)
- Customer and receiving plant can receive pallets by scanning pallet SSCC label

Nortura EWM Processes



- Supported processes with Neptune apps:
 - Internal Movements (HU and Material)
 - Replenishment
 - Physical Inventory

Geographic Scope and Timeline



Harstad 1/10-19



Malvik 1/10-18



Førde 1/5-20



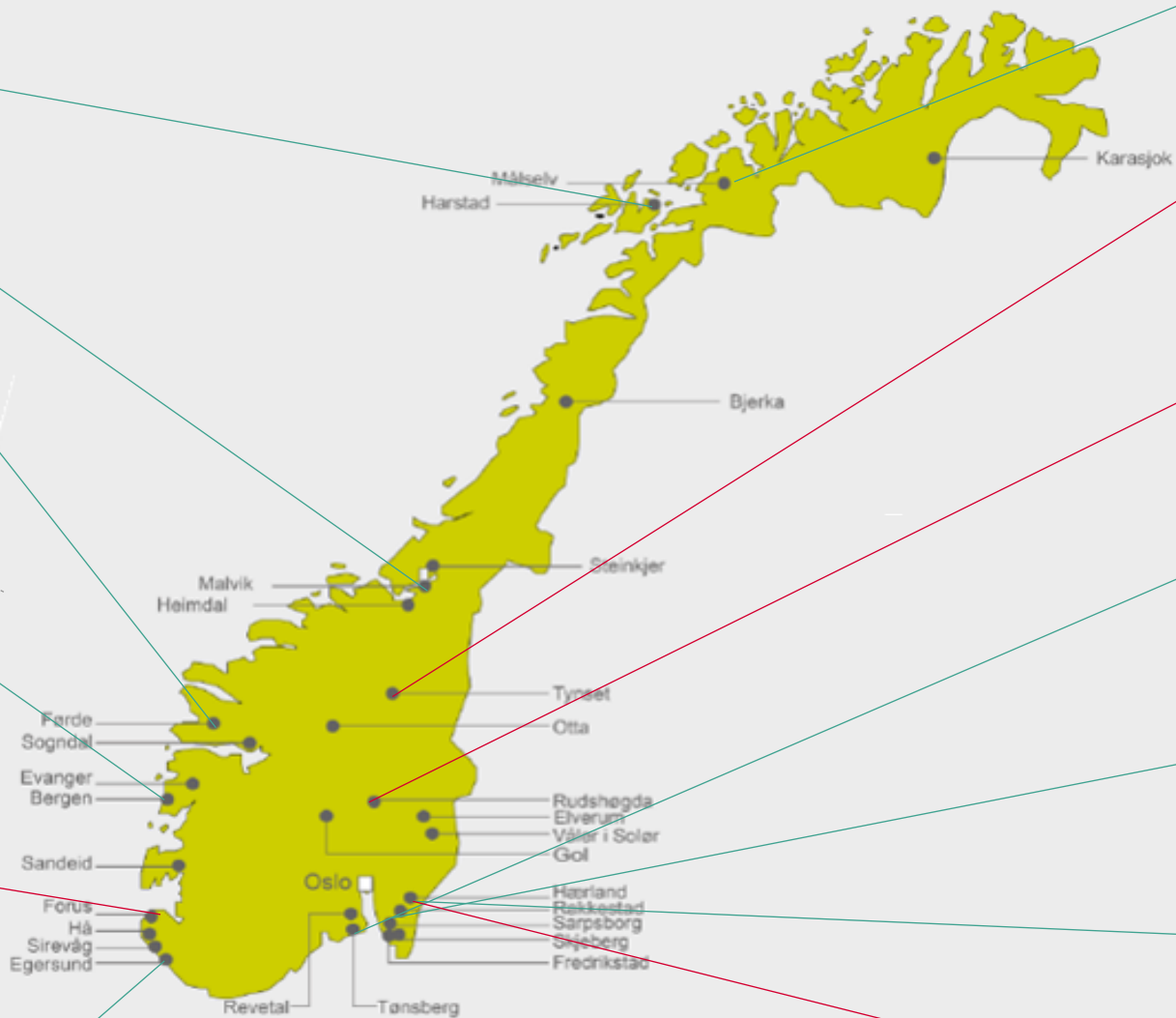
Bergen 1/10-20



Forus 1/2-21



Egersund 1/4-20



Målselv 1/12-19



Tynset 1/2-21



Rudshøgda 1/12-20



Tønsberg 1/2-20



Sarpsborg 1/6-20



Hørland 1/10-20



Norferk 1/11-20

Extended Warehouse Management Solution Improves Nortura's Stock Management

Company:

Nortura SA is an agricultural cooperative that operates slaughterhouses and other processing plants related to meat and eggs

Industry:

Food Production

Employees:

5143 (2019)

Turnover:

NOK 19 Billion (2019)

Headquarter:

Oslo, Norway

Website:

www.nortura.no

Challenges

- Need to upgrade an outdated ERP-system
- Simplify the complex flows of goods
- Need to streamline the interaction between production and sales
- Need to consolidate all solutions into one single platform

Solution

- SAP Extended Warehouse Management (EWM)
- Simplified SAP EWM to reduce inventory complexity
- Neptune front end – One common platform

Benefits

- Improved stock management
- Date management
- Integrated value chain
- Better collaboration between Nortura's departments
- Potential savings as a result of improved processes

Key Facts

**Oct 2018**

Pilot Go-Live

**Continued Roll Out**

2,5 years

**12 Warehouses**

7 warehouses with 1 plant

1 warehouse with 2 plants

4 simplified warehouses



EWM-løsningen hever ganske enkelt kvaliteten på det vi leverer.

– Anette Elisson, Prosesseier Ekspedisjon EWM i Nortura





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