

How Do You Earn the Trust of Two Billion Dairy Consumers?

Every day, people around the world enjoy dairy products made by Fonterra Co-Operative Group Limited from the milk of grass-fed cows. When milk arrives from farms in countries such as New Zealand and Australia, Fonterra's production plants transform it into butter, cheese, and other dairy foods under individual process orders. Many time-consuming and tedious transactions must occur to complete just one process order. And to ensure quality and food safety, Fonterra performs confirmations and collects data all along the way.

To simplify more than 200 process-order management processes, Fonterra worked with the SAP Innovative Business Solutions organization and used the SAP Fiori® user experience. The new app provides operators and supervisors a consumer-like experience that is helping to improve productivity and ensure product quality.





“Fonterra’s vision is to make a difference in the lives of 2 billion people worldwide by the year 2020. To earn consumer trust, you need the ability to **track and trace all the ingredients** that go into your dairy foods.”

Andrew Longwill, Information Services Manager Australia, Fonterra Co-Operative Group Limited

Today, Fonterra uses a custom-developed application to provide employees with simple step-by-step procedures and easy access to common transactions. The single screen interface eliminates the use of complex paper process information sheets, streamlines multiple transactions, and supports real-time data on process orders.



30%

Of the world’s dairy exports come from Fonterra



10,500

Farmers own the dairy co-operative based in New Zealand



1.7 billion

Liters of milk are processed by Fonterra Australia each year



Fonterra Co-Operative Group Limited
Auckland, New Zealand
www.fonterra.com/nz/en.html

Industry
Consumer products

Products and Services
Milk, cheese, butter, and other milk-derived foods

Employees
22,000

Revenue
NZ\$17.2 billion (US\$12.6 billion)

SAP® Solutions
SAP® ERP application and the SAP Fiori® user experience (UX)

Keeping the Milk Flowing with the SAP® Innovative Business Solutions organization

Global dairy co-operative Fonterra worked with the SAP Innovative Business Solutions organization to simplify process order management at its Cobden milk processing plant in Australia. As a result, Fonterra workers there now use a consumer-like interface that helps improve data quality and reduce errors.

Before: Challenges and Opportunities

- Need to ensure product quality
- Capture and document accurate production details consistently
- Keep production running on schedule

Why SAP

- Availability of design thinking workshops to gather input and ideas from employees on the plant floor
- Support of the SAP Innovative Business Solutions organization to help ensure on-schedule deployment
- Customized SAP Fiori® app that helps simplify underlying process-order management functionality

After: Value-Driven Results

- Instant visibility into process order progress
- Faster data capture and reduced processing times
- Lower business risk due to error reduction and easier correction
- Improved operator and supervisor productivity
- Reduced training costs
- An extensible app to be rolled out at Fonterra's other facilities

“Our mantra in manufacturing is more floor time, less terminal time.”

Rob Howell, General Manager of Manufacturing Operations Australia, Fonterra Co-Operative Group Limited



>200

Operator and supervisor processes streamlined

>99%

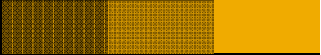
Reduction in time to correct overproduction errors

62%

Reduction in time to enter inspection identification



Watch this video to see Fonterra's Cobden processing plant in action.



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