

How Do You Grow from a Sichuan-Based Company into a National Enterprise?

Fans of spicy cuisine all over China who have little time for cooking eat extremely well thanks to the skill and industry of Shanghai Ziyang Food Co. Ltd. The enterprise started its operations in Sichuan province, but over the course of two generations developed into a chain of franchised food stores providing its famous ziyangfoods all over China.

With such wide distribution, Ziyang had to transform its supply chain operations to ensure high food safety standards, while making sure its products delivered the savor and spice its customers liked. SAP S/4HANA® provided the core that enabled it to establish strict standards to ensure both consistent top quality and safety. SAP S/4HANA helped it centralize procurement, scale production, and monitor the quality control systems in its logistics chain, all while keeping prices low and customers satisfied.





“As a national brand, we need to integrate excellent products nationwide into our product system while maintaining our high standards. That’s why **food safety** gets top priority.”

Huaijun Zhong, President, Shanghai Ziyen Food Co. Ltd.

To maximize food safety and keep the flavor of its foods consistent, Ziyen establishes a standardized processing plant in each new city it enters. SAP S/4HANA® helps it track compliance to its rigorous standards, which span raw material acceptance, dicing and cleaning, curing, marinating, crating, and delivery to sales points.



2,000

Franchised stores



>10

High-standard regional central factories in China



17%

Annual compound growth





Transforming the Supply Chain to Help Ensure Food Safety with **SAP S/4HANA®**



Shanghai Ziyan Food Co. Ltd.
Shanghai
www.ziyanfoods.com

Industry
Consumer products – food products

Products and Services
Marinated and cooked food, side dishes

Employees
4,500

SAP® Solutions
SAP S/4HANA®

As a leader in the marinated and cooked food industry, Ziyan's top priority has always been quality management. To deliver high-quality products at low cost, it centralized procurement, scaled production, and established a complete set of quality control systems in its logistics chain with SAP S/4HANA.

Before: Challenges and Opportunities

- Align material flow, capital flow, and information flow in the supply chain
- Reduce operating cost by maximizing efficiency of supply chain resources
- Eliminate food safety risks and increase customer satisfaction.

Why SAP

- SAP S/4HANA as core to align production, supply, sales, and finance operations
- Software foundation for a real-time information platform
- Software that supports business expansion, rapid transformation, and employee mobility operations
- Stable technology and unified standards, making SAP® offerings especially suitable for large-scale enterprises

After: Value-Driven Results

- Improved data accuracy and timeliness of business metrics thanks to office automation and integration of production, warehousing, logistics, sales, and finance activities
- Established set of working procedures and control points, including spot checks, to make sure the quality of products and raw materials are very high
- Increased food safety and quality through adoption of the operational model of a “central kitchen,” including a predefined set of quality measures to confirm product safety

“SAP S/4HANA is the best information platform we have ever used. The software is expected to cover our subsidiaries and integrate our business.”

Qingxiang Zhou, CIO, Shanghai Ziyan Food Co. Ltd.

4% to 5%

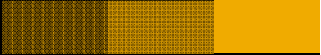
Increase in sales forecast accuracy and on-time delivery

>50%

Improvement in inventory management with fewer raw materials in storage as well as fewer shortages

75%

Reduction in closing cycle – from 8 days down to 2 days



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