

Sage ERP X3 | Customer Success

Sage ERP X3—a sweet solution for Ganong Bros. Limited

Ganong Bros. Limited (Ganong) produces some of the finest chocolate and confectioneries in Canada. As the oldest candy company in Canada, the Ganong family has been putting its heart and soul into its sweet treats since 1873. Operating from three locations across the country, Ganong chocolates are shipped to mass merchandisers, drug stores, and grocery chains including: National Grocers, Sobeys, Shoppers Drug Mart, Wal-Mart, Safeway, A&P, and London Drugs. The company has been voted one of Canada's 50 Best-Managed Companies.

From the back office to the production floor, Ganong invests in the technology that keeps this century-old company firmly in the twenty-first century. At the heart of that technology is Sage ERP X3.

Ingredients of success

The company wanted to build an information system that would deliver timely information about the financial health of the company, promote improved order processing, and support the company's mixed-mode manufacturing style—a combination of discrete and process manufacturing. To accomplish this goal, Ganong switched from its proprietary MAP 3000 application to Sage ERP X3 in 2002.

"Sage ERP X3 has most definitely lived up to our expectations," says Marc Lefebvre, vice president and chief information officer for Ganong. "Over the years we have expanded our use of the software and we continually derive new value and benefits from the system."

Improve capacity planning

Ganong has seen dramatic improvement in the accuracy of its manufacturing capacity planning through the tools provided by Sage ERP X3. "We are able to analyze our capacity in ways we could not before," says Lefebvre. "We can look at demand for several months out and factor in sales forecasts to see the load these factors place on our resources. If we are short on resources, we can work to spread the load around, or ramp up with additional resources to meet demand—far in advance of when they are needed."

Lefebvre says the ready access to this information has improved the overall efficiency of Ganong's manufacturing operation, enabling it to efficiently meet the demand for its products.

Challenge

Ganong sought to replace its proprietary business software with an industry-standard tool that could help drive efficiencies and support the company's growth and expansion.

Solution

Sage ERP X3 provides a robust technology platform that supports the company's manufacturing and financial operations.

Results

Full return on investment was achieved in one year. Insight into profitability by customer and product helps the company make strategic decisions. Comprehensive lot tracking and quality control management features ensure high standards are maintained.

Customer

Ganong Bros. Limited

Industry

Food Manufacturing

Location

St. Stephen, New Brunswick
Canada

Number of Locations

Three

System

Sage ERP X3



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Gain visibility into profitability

Another benefit of the software is the access to information about the profitability of the company's customers and products. "Calculating profit involves more than determining cost and selling price—we want to get to the net contribution amount," explains Lefebvre. "In our organization, the various discounts and promotions that we offer our customers impact that number."

Sage ERP X3 helps Ganong analyze its profitability by allowing it to factor these cost contributors into its financial reporting. Such analysis helps the company make strategic pricing and product-mix decisions. "Before Sage ERP X3, we were not able to see the whole picture," Lefebvre adds. "We are able to clearly see which products and customers are most profitable for us."

Maintain exceptional standards

Maintaining its exceptional standards of quality has always been a priority for Ganong, and Sage ERP X3 adds a level of control that supports those standards. "We used to manage our quality control processes entirely outside of the software, but with Sage ERP X3, it now is an integral part of our manufacturing process," Lefebvre says.

To keep the process moving efficiently, the software sends a message to the quality control staff when raw materials are received, including the product number, lot number, and warehouse location. "Raw materials received here go first into a quality-hold queue until they are tested," says Lefebvre. "Only after testing is complete can a particular lot of material be released for use."

While much of the testing is done internally, some products are sent to independent laboratories for testing. "We can track our products' movement to and from the laboratories, record the test results, and ultimately release the product for shipping," explains Lefebvre. "Our customers appreciate, and many demand, this level of quality control, and we are able to ensure it."

Sage ERP X3 supports the comprehensive lot control management that is so vital to the food industry. Both the raw

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ingredients and finished products can be tracked through their life cycles and a detailed audit trail of transactions is automatically maintained by the software.

Streamline electronic communication

Since the initial implementation of Sage ERP X3, Electronic Data Interchange (EDI) has grown in importance to Ganong; nearly 70 percent of the company's domestic customers now place their orders using EDI. Lefebvre reports that implementing an EDI solution to suit Ganong's needs was relatively easy because of the open architecture of Sage ERP X3 and the rich toolset available. "EDI helps us automate what used to be a slow and error-prone process," he says.

A sweet solution

"We made the right decision," concludes Lefebvre. "Sage ERP X3 is a dynamic product that continues to improve. We achieved a full return on investment by the end of the first year, through labor savings and improved accuracy. The investment continues to benefit us as each new release introduces more functionality that helps us to hone our efficiency and maintain our standards of excellence."

About Sage North America

Sage North America is part of The Sage Group plc, a leading global supplier of business management software and services. Sage North America employs 4,000 people and supports 3.1 million small and mid-sized business customers. The Sage Group plc, formed in 1981, was floated on the London Stock Exchange in 1989 and now employs 13,100 people and supports 6.2 million customers worldwide. For more information, please visit the website at www.SageNorthAmerica.com.