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GOLDEN STATE FOODS

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A portrait of Bill Runyan, Golden State's business services manager, smiling. He is wearing a light-colored striped shirt and a brown and gold plaid tie. The background is a warehouse filled with stacks of cardboard boxes.

Golden State Foods has grown to become one of the largest suppliers in the world. Its partnership with Precision Solutions Group Inc. allows its IT staff to focus on more aspects of the business, says Golden State's business services manager, Bill Runyan.



A SPECIAL RELATIONSHIP

Golden State Foods finds a partner to help support an aging ERP system

BY JIM UTSLER ♦ PHOTOGRAPHY BY CHRIS DEFORD

When ERP applications are taken off a developer's lifeline, it can be difficult for users to continue supporting them.

This is especially true when IT staff members who may have been familiar with the package retire or move on to other jobs, leaving companies with a low-level understanding of how the program works. They can continue using it—hoping it's robust enough to take them into the future—or transition to another package. For many organizations, however, the former option seems like wishful thinking and the latter may be too expensive to undertake.

That's why Golden State Foods decided to partner with Precision Solutions Group Inc. (PSGi) to help support its PRISM ERP package, which has languished to some degree. Thankfully, PSGi is staffed with many of PRISM's initial and former developers. This has allowed Golden State to continue to use the solution as a vital part of its back-office processing.

A Vision of Consistency

Headquartered in Irvine, Calif., Golden State has been in business since 1947, initially providing a variety of meat products to local restaurants and hotels. Although successful at the time, its

fortune began to dramatically change in the early 1950s, when McDonald's founder Ray Kroc approached the company to sell similar items to his growing stable of restaurants.

"Our owner decided to join him on that venture, starting in Southern California. This was kind of a new concept at the time, because McDonald's would manage which vendors we would buy from and then we would distribute all of the products from a single facility," says Bill Runyan, business services manager with Golden State. "As McDonald's grew, this philosophy continued, in keeping with Kroc's vision of having consistency across the chain. We were, of course, crucial to this because we followed the company as it opened new establishments across the country and continued to operate under that supplier-distribution model."

McDonald's picks preferred vendors and Golden State works solely with them. For example, Golden State produces beef patties from its manufacturing plant and then distributes them to McDonald's restaurants from its regional distribution centers. Using potatoes as another example, a company processes them into fries or other items and then sends them to Golden State for distribution. Now, Golden State has grown to become one of the

largest suppliers in the world, servicing more than 20,000 restaurants on six continents from 31 manufacturing plants, distribution centers and offices throughout the U.S., Egypt, Australia and New Zealand. Counted among its customers are such notable brands as Starbucks, Popeyes Chicken & Biscuits and Chick-fil-A.

Supporting Golden State's vast distribution network are 23 centers located in the U.S. and abroad, each

UP CLOSE

Customer: Golden State Foods

Headquarters: Irvine, Calif.

Business: Manufacturer and distributor of fast-food products, including meat, produce, bakery and liquid products

Challenge: Supporting a functional, yet aging, ERP solution

Solution: Contracts with Precision Solutions Group Inc. to consult on ERP-specific projects and assist with help-desk requests

Hardware: Two IBM Power Systems servers

Software: Infor ERP PRISM, Oracle JD Edwards One World and Lawson Financial Management

“Now, we can **quickly understand the materials we have on hand** and could be making instead of having staff standing around waiting for a machine to be fixed.”

—Bill Runyan, business services manager, Golden State Foods

of which is dedicated to particular customers. Many of these distribution centers have dedicated IBM Power Systems* servers running in a decentralized model that handle each facility's purchasing, accounting and other functions.

The company is currently undertaking a massive consolidation effort that will boil these systems down to two Power Systems servers, one for manufacturing and corporate ERP and the other for distribution. Runyan says most of this was completed late in 2012, with the rest transitioning in early 2013. When completed, this will allow the company to save money on hardware, software licensing, systems administration and data center power usage, according to Runyan.

Despite Golden State's current distributed computing environment, the company is largely consolidated on three ERP packages: Infor ERP PRISM for the manufacturing side of the business; Oracle JD Edwards One World for distribution; and Lawson Financial Management suite, which acts as a linchpin, funneling information generated by the former two applications.

“We run the corporation, from an accounting perspective, with Lawson Financials,” Runyan says. “The other packages are there to manage inventory, accounts receivables, purchasing and other functions. They do generate journal entries and accounts payables, but all of that is forwarded to Lawson.”

Although Runyan admits managing three different ERP systems is “somewhat difficult,” he sees value in

each—and supports them all. The IT department's staff of 35, however, is largely divided between business systems analysts and other support personnel, including those involved in networking. Of the remainder, only three or four are developers, according to Runyan.

This dearth of developers, as one might expect, has pinched the company because so few people are devoted to the actual mission-critical development that can benefit both the company and its customers. This is particularly true when it comes to enhancing the built-in capabilities of its ERP packages, with PRISM being one of the most neglected.

The acquisition of PRISM by Infor and the eventual dispersion of PRISM developers has created a lack of qualified personnel to support the platform, although Infor continues to support it, knowing that more than a few companies, including Golden State, are still reliant on it.

Flex Time

Wanting to bolster this support, Golden State began looking for an IT consulting firm that could handle PRISM. In the end, it discovered PSGi—or more aptly, PSGi discovered Golden State. PSGi is staffed by many of PRISM's original developers and was looking for potential customers, Golden State among them. As one might guess, Golden State was elated when PSGi made its original overture.

“We started hiring PSGi consultants for smaller projects because of their expertise. Eventually, however, we talked to them about creating a managed



support contract to take all of our support calls and deal with the package as a whole,” Runyan recalls.

This cleared the way for Golden State's IT staff to focus on other aspects of the business—and not on PRISM support. For example, when IBM i is upgraded, Infor guarantees that PRISM will work with the newest OS version. But to hedge its bets—and not have to worry about testing the application itself—it instead turns to PSGi and PRISM's original developers to do it.

Not only that, but PSGi is actually working on developing tools that interface with PRISM, such as the Quick Scheduler, which has dramatically improved how Golden State deals with manufacturing schedules.

“We're probably making a hundred different things a week, so we have to balance that out properly in terms of the raw products and the shifts we're going to run. In the past, we had done this with spreadsheets, which was a nightmare because if something went awry—like a ketchup machine going down—we would have to scramble to reschedule everything,” Runyan explains. “Now, we can quickly understand the materials we have on hand and could be making instead of having staff standing around waiting for a machine to be fixed.”

PSGi also handles help-desk calls related to PRISM. This again frees



Based in Irvine, Calif., Golden State Foods has been McDonald's primary supplier since 1967 and helped the fast-food restaurant develop its signature special sauce.

up Golden State's IT staff to handle more pressing matters. More than that, though, Golden State and PSGi have an understanding that falls under what they call flexible consulting days. So, for example, if the help desk isn't busy and there's time left on a weekly or monthly contract, Golden State can enlist the help of PSGi to handle issues that may arise in PRISM or develop reports that may be out of the scope of Golden State's IT staff.

"We have so many projects every year involved in manufacturing that we feel we can use those flex hours against them. For instance, we had a traceability project that we had to undertake

so we could meet industry requirements about where materials came from and where they go," Runyan recalls. "I suppose we could have undertaken that ourselves, but because we're stretched so thin, we decided to take advantage of those extra hours to help pay for some of the consulting time involved in that effort—something that was well beyond simple help-desk support."

Golden State's CIO, Rhonda Sias, was instrumental in bringing in PSGi and says she's pleased with the support they're getting. "PSGi is a valued strategic partner for us here at Golden State Foods IT. They provide excellent support, which enables our internal


staff to stay focused on the strategic goals of our company. We are definitely getting more for less with our strategic partner relationship."

New Features

That type of partnership between Golden State and PSGi isn't unlike the partnership between Golden State and its customers. They're working together to create a secret recipe—or special sauce—that will please everyone. In the case of Golden State, some of that has to do with ROI. For example, instead of revamping its entire ERP ecosystem—at a large cost—Golden State merely has to maintain its contract at a much lower cost to keep PRISM relevant.

"We've been able to take this older system and run it out for a few more years," Runyan says. "And there are new features we haven't even turned on yet, and we're going to try to take advantage of those. I mean, why not? They're there and PSGi can help us exploit them."

PSGi is no less important on the help desk. If, for instance, a report is suddenly returning erroneous results, PSGi can quickly trace the issue and discover the root cause, including if data from one database was inadvertently replaced by data from another database.

"I know it sounds cliché," Runyan says, "but this type of situation is a win-win for everyone. And it truly is a partnership." 



Jim Utsler, IBM Systems Magazine senior writer, has been covering technology for nearly 20 years.