



TRACEGAINS

Case Study

Case No.: 001121

Assigned to: CLASSIFIED

REAL TIME Visibility Equals REAL TIME Solutions

The data in today's food supply chain remains hopelessly scattered. Manufacturers are constantly receiving documents from suppliers, but struggle with how to best organize and access them? Can manufacturers, such as Bimbo, ever look into all that data and find, search, and analyze it quickly and coherently?

This is a problem Bimbo, the world's largest baking company, faced as it continued to grow along with the supply chain. *This is their story.*



Case Study contains
the following:

- Challenges
- Solutions
- Testimonial
- Outcomes

TOO BIG to Track

About a decade ago, the executives at Bimbo realized that the complexity of their business had increased to the point where their vendor management program simply wasn't adequate to meet the compliance requirements they saw coming, such as the Food Safety Modernization Act and the Global Food Safety Initiative. Bimbo was in the process of getting all of their facilities certified to a GFSI program, and they didn't have the horsepower to complete the project. They simply had too many facilities, in too many countries, handling too many ingredients provided by too many vendors. In short, it was just too much to handle.

Challenge

Then Bimbo discovered TraceGains®, with a ready, off-the-shelf solution that met their needs. TraceGains emerged as the frontrunner because it offered a comprehensive, complete, and elegant solution for Bimbo's key issues.

PRODUCTIVITY INVESTIGATIONS

In 2011, about a year after the TraceGains implementation process began, Bimbo acquired Sara Lee. Naturally, that acquisition added a tremendous amount of complexity to Bimbo's systems, including several more plants. Bimbo now had distribution centers for ingredients they never had before. This was a massive challenge, but TraceGains made it easy.

TraceGains now gives Bimbo the ability to do **productivity investigations**. This allows executives to ask questions like: *"Who's our best supplier?; who's our worst supplier of flour?; who has the most on-time deliveries?; or who is most often late with deliveries?"*

In the past, when Bimbo wanted to answer those questions, they had to visit every single facility, go through their paper records, pull the records from a filing cabinet, and combine these findings into a spreadsheet, which in turn would need to be collated and analyzed. The entire process could take weeks. As a result, important questions like these were rarely asked.

Now, with TraceGains, these questions can be asked and answered – *literally* – with the push of a button. With the simplicity of this system, Bimbo is constantly informed of supplier statuses in real time.

SUPPLIER BEHAVIOR

The benefit of having in-depth insight into all supplier behaviors is the ability to address issues they previously might have been unaware of, such as how many vendors are having problems with late deliveries, or out-of-spec deliveries, or broken bags? The bottom line is that not knowing the answers to such key questions costs money, according to Len Heflich, Bimbo's former vice president of food safety, quality, and crisis management. It might not seem obvious because the complaints or the issues for one supplier can be spread across several facilities– even across different regions.

CONTAMINATION

Contamination can be another major issue. With TraceGains, if someone receives a product lot and discovers contamination, immediately that product lot can be placed on *hold*, not only in their facility, but *in all facilities*. Quickly locked down, it is not received into inventory. This benefit has proved to be a huge advantage, not only for Bimbo's own plants, but also for their contract manufacturers.

Knowing how their vendors are performing really helps Bimbo cut waste while reducing risk exposure. **Today, Bimbo posts some of this information on screens in all their plants, so employees can see it in real time.** So, it's easy to recognize when there's an issue and adjust accordingly.

ALLERGENS

Allergens are a top issue for everyone in the industry, as nightmare situations often crop up on news feeds. It is critical to manage allergen documentation and risk properly and efficiently. TraceGains allows Bimbo to easily identify all the key allergens in every plant. As Heflich points out, there is *simply no room for error*.

“We know what products contain them, what ingredients contain them, what vendors supply them, or what vendors are handling those in their own plants,” Heflich explained. “This allows us to manage those vendors better, and work with them to reduce the risk.”


RISK ASSESSMENT

Another part of FSMA is performing **risk assessment**. Manufacturers and processors need data to perform worthwhile risk assessments. Manufacturers such as Bimbo, need to know their vendors. They need to know *what* ingredients they’re handling and *what* their processes are. All that information is critical for a good risk assessment and requires managing what can amount to dozens of documents required for each vendor. Multiply that by the 1,500+ (and growing) number of vendors Bimbo does business with, and again by the number of ingredients each vendor handles— it soon becomes clear how quickly high-risk items can spiral out of control when not properly managed.

Thanks to TraceGains, Bimbo has a process in place that keeps track of the needed documents, and *automatically notifies the vendor* when a document is about to expire and needs to be replaced. This provides a huge advantage.

HISTORICAL PERFORMANCE

Finally, **tracking historical performance** is equally critical. It helps Bimbo dig into how a vendor’s performing over time, and if there are any “blips.” This is something the company was never able to do comprehensively before, especially across all their vendors. They could previously track a couple of ingredients – such as flour – rather extensively, but it was a time-consuming process.

Today, tracking a product is much *easier*, and *much more powerful*. Bimbo is now able to identify problems faster, even problems previously not discovered. This makes it much easier for them to approach the vendor in question, analyze their performance historically, track it, trend it, and ensure everyone is in compliance. If someone is not in compliance, proper action can then be taken. 

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CLIENT TESTIMONIAL

“We might not notice, for example, that there’s a problem with supplier X because it’s only a single issue, or one or two complaints a year in each plant,” Heflich explained. “But, added together, it could pile up to 30, 40, or 50 complaints annually, and suddenly, the scope of the problem becomes clear. It’s costing money. We need to fix it. And then fixing it becomes easy, and you save some money.”

“Maybe there are some suppliers who we’ve worked with to improve those issues, but they don’t improve,” Heflich

said. “They continue to fail. Well, that’s the time to go look for somebody else. And again, that can save us a lot of money and problems.”

“That used to be a big risk for us because we often didn’t communicate adequately with them,” Heflich recalled. “So, it’s critical to be able to catch these issues in real time, communicate it accurately and quickly without mistake, and without missing a facility. So TraceGains has really helped us tighten up that whole process. The same also applies with our vendors.”





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SOLUTION OVERVIEW

Challenge: It had become too **overwhelming to manage so many vendors**, while keeping track of those vendors and the ingredients they provided, all while following where those ingredients were going. It became **too expensive and difficult** to be managed by on paper alone.

Solution: TraceGains' **Supplier Management** and **Supplier Compliance** software solutions allowed Bimbo to manage their suppliers with a configurable system that mimicked Bimbo's existing processes, so training was minimal. **Plant employees immediately understood what to do and how to do it** because all they were doing was translating the paper process they had in place for decades, into a software process.

Outcomes

- Bimbo was **immediately** able to perform real-time productivity investigations with the push of a button.
- The new systems allowed the manufacturer to **quickly identify contaminated product and communicate those findings** quickly to every plant simultaneously, while also notifying the supplier in question.
- Identifying allergens and managing risk assessment also become much more manageable thanks to TraceGains software solutions.
- Finally, Bimbo was also able to track every supplier's performance historically, making it much **easier to identify and target problem areas**.