softengine

Microsoft
CERTIFIED
Partner | ISV/Software Solutions

SAP
Gold
Partner

Softengine Newsletter — More Than Just Software

Newsletter Vol. 72 - Introduction

Softengine News is dedicated to keeping you up to date with the latest information regarding SAP Business One systems, Softengine solutions and Best Business Practices.

What's New?

Spotlight on Trends in Food Innovation – More Than Secret Recipes
by Nadine Huelsen, SAP Business Trends.

Speed-to-market and innovation are often associated with technology-focused industries like high tech or automotive. But these KPIs are also important to one of the oldest industries in the world: the food industry.

The food industry is as old as civilization; and many of its process operations are thousands of years old, such as brewing (developed in Samaria and Babylon) and baking (developed in Egypt ca. 8000 BC). The modern food manufacturing industry evolved during and after the Industrial Revolution and today the food industry is going through another important change process. Several trends impose new challenges on food manufacturers: global food regulations, demanding customers who ask for sustainable products, the trend of functional foods, new requirements for labeling and traceability, and much more.

Let's look at some of these trends:

Cutting food waste is the top trend in 2014. "Waste not - want not" reflected manufacturers' efforts to reduce food loss and waste during the production process. Due to poor practices in harvesting, manufacturing, storage and transportation, as well as market and consumer wastage, it is estimated that 30–50% (or 1.2–2 billion tons) of all food produced never reaches a human stomach. The UN Food and Agriculture Organization (FAO) works with the international engineering community to ensure governments of developed nations put in place programs that transfer engineering knowledge, design know-how, and suitable technology to newly developing countries.

Food safety and traceability are demanded by customers. In China, a technology firm recently launched a chopstick that tests your food and tells you if it is safe to eat. It is not clear whether the smart chopsticks will go into commercial production. The company had made only a limited run of prototypes, but there is a huge interest according to discussions in social media forums in China. But food safety should not start with the end-consumer, it should start right at the beginning – during the innovation process.

Did you know that 3D printing has already arrived in the food industry? Read this interesting blog in which my colleague Richard Howells talks about Hershey's partnership with a 3D printing company and Barilla's plans to position 3D printers for pasta in restaurants. Imagine going to a lovely Italian trattoria that prints your "linguine" just the way you want them. Well, does not sound very romantic, but definitely interesting.

Long story short, food recipes and food processing instructions are no longer kept in Grandma´s "secret cookbook", they are managed and developed in complex, integrated IT systems.

For R&D experts in process industries, it is daily business to connect operating silos, streamline the ramp-up to production, manage complex product data, perform compliance checks, and much more. Their goal is to improve the value of their brand by launching new, successful products. Product Lifecycle Management software from SAP helps food manufacturers to develop formulas, manage the reuse of ingredients, run analytics, and design the packaging – in one environment.

Rich Products Corporation, a family-owned frozen food manufacturer and solutions provider based in Buffalo, New York, recently shared their experiences with SAPInsider magazine. With the recipe development functionality in SAP PLM, the finished product and all its components (recipes, formulas, ingredients, packaging, specifications, nutritional, and labeling information) are linked together. That integrated data is one in the same that is used for managing the supply chain. Information feeds all the way down to the bill of material on the shop floor, providing a tighter integration between R&D and Production. The company expects some significant benefits from the implementation in the near future: reduction in cycle time, increased revenue from new product development, faster product delivery, valuable real-time information to users, and workflow enhancements that improve user productivity and mitigate compliance issues.

Tate & Lyle, a global food ingredient producer, a global provider of ingredients and solutions to the food and beverage industries, implemented SAP Product Lifecycle Management to standardize their innovation processes for new ingredients, to have a central access point for all recipes and to link the R&D team with production.

With all the new technologies that help food manufacturers develop sustainable, traceable, high-quality products within shorter time, the food industry should be able to focus on its core competence: delicious recipes – like the ones that can be found in my Grandma´s secret cookbook.

For more information about SAP Business One – Food One, with **multi-step traceability** functionality for small-emerging food processors, please contact Barry Lederman: 818.704.7000, blederman@softengineusa.com.