# CASE STUDY

## Shoof readies for growth with SAP Business All-in-One



With more than fifty users spread across Cambridge, Melbourne and Brisbane, a global supply and distribution channel and a catalogue of more than 8000 products to manage, Shoof International Ltd implemented SAP's Business All-in-One solution to improve the structure of its operations and to ensure that all business activities could be closely monitored and documented to provide company-wide transparency and visibility.

### Company Background

Raising a healthy cattle or sheep herd requires knowledge, experience and a variety of specialised equipment. There are tools to help with calving and lambing, feeding and disease control. Having the right tools for such animal husbandry tasks can make farms more efficient and animals more productive.

Farming equipment company Shoof specialises in these hard-to-source items. During the past 15 years, the company - a successful family-owned business with an annual turnover of approximately NZ$15m - has built up a catalogue of more than 8000 products.

The Shoof range includes everything from lamb feeding machines and milking equipment to thermometers and dog collars. The company even markets a range of cow slippers designed to stop the spread of disease. Shoof Chief Financial Officer Mark Nielson said the company supplied products directly to farmers and through larger equipment retailers in both New Zealand and Australia.

"A lot of our product lines are sourced from around the world while others are manufactured for us in New Zealand," he said. "There are around 14,000 farmers in New Zealand and about the same in Australia so the market for us is large. It can be hard to locate this type of stuff, so we do the hard work for our customers."

### The Legacy System

For more than 10 years, the company had relied on a DOS-based software system, supported by a range of other packages – including MYOB for financials and a range of smaller Excel and Access-based programs – to manage its stock and purchasing activities.

"This was all stuck together with glue in an effort to get a complete system to support the company," said Mr Nielson. "While individually they were good packages, trying to get them to work together across the whole company was tough."

Reporting and forecasting was difficult because of the complexity of getting accurate data from all activity areas. The company's stock control was also hampered because there was no clear visibility of order status or items in the warehouse.

"We were constantly faced with undertaking a lot of manual work, extracting information from one system and putting it into another," he said. "We eventually realised that things had to change."

The company began looking for a single replacement system but, after reviewing the market, opted to build its own in-house.

"We believed this would be the best way to get the features we needed and get us a system that exactly matched

our methods of operation," said Mr Nielson.

However, about 12 months later, the development project came to a halt. Rising costs and complexities meant deadlines were being missed, and so the company decided once again to see what systems were available on the market.

## SAP Business All-in-One and Soltius

After a comprehensive review, the company chose SAP Business All-in-One, and Soltius, and Shoof began the implementation project in July 2003. Soltius was chosen as Shoof's implementation partner due to their experience with and knowledge of mid-size enterprise projects.

The SAP solution was selected because of its:

- Vast functionality and flexibility
- Ease of use
- Ease of data integration
- Template and strength
- Security and reliability.

Shoof implemented SAP Business All-in-One in order to improve the structure of its operations; to increase efficiency and visibility; and to ensure that ongoing business activities could be closely monitored and documented.

Soltius worked closely with Shoof to establish whether the pre-configured aspects of SAP Business All-in-One needed to be changed to suit existing internal processes. Because of Shoof's complex supply chain and large number of suppliers and customers, the software required some configuration, however around 80 percent was able to be used in its delivered form.

"We have essentially gone from having disparate systems to an integrated one," said Mr Neilson. "Our partner Soltius New Zealand helped considerably with this process. We had some challenges with the implementation, but when we went live we were able to process orders and undertake all critical functions."

The challenges he refers to within this project included Shoof's multi-locations; the range of different software packages that needed to have data extracted from them; Shoof's large and complex supply chain; and the huge range of product lines available.

## Benefits

Of the benefits already delivered by the new software, the biggest has been the company-wide integration of all data and systems. Visibility of stock and orders, as well as access to key financial indicators, have significantly improved.

"We have a depth of information available that we simply couldn't get before. As we learn more about the system we are able to extract even more value from it."

Shoof now has visibility of operations across New Zealand and Australia, as all staff are using the single system. All transactions are handled in the same way and the system takes care of currency conversions and other accounting processes. Warehouse operations have also improved with the company able to make its first comprehensive and accurate stock take for many years.

"We now have a solid platform in place that will support our activities into the future," Mr Nielson said.