Heinz Upgrades JDA Solutions in Europe and Reduces Cost of Database Management by 74 Percent

H.J. Heinz Company Ltd
Fast Facts

Industry
Manufacturing – Food

Headquarters
Hayes, United Kingdom

Description
H.J. Heinz Company Ltd is a $10 billion global company. The organization employs approximately 3,000 people across the UK and Ireland, and its Kitt Green manufacturing facility located in northern England is Heinz’s largest factory worldwide.

Objective
Support supply chain planning at all of H.J. Heinz Company Ltd’s factories across Europe by upgrading the JDA solutions that the company had been using for more than seven years.

Solutions
• JDA® Fulfillment
• JDA® Sequencing

Services
• JDA Education Services
• JDA Implementation Services
• JDA Performance Engineering
• JDA Support Services

Real Results
• Established a stable, reliable environment for supply chain planning across 20 sites in 16 countries
• Reduced databases from 23 to six, leading to a corresponding 74 percent reduction in database management costs
• Updated application platform, enabling further solutions and functionality to be added in the future

“This upgrade has opened the door for future plans. It has given us a robust, single platform on which we can add new sites and new functionality in the future.”

- Martin Trevers, IS project manager, H.J. Heinz Company Ltd
Heinz Tomato Ketchup, HP Sauce and Weight Watchers from Heinz are just three of the many powerful brands that have helped to secure Heinz’s success. This global business is 140 years old, manufactures more than 5,700 food products and has global revenues of $10 billion. Europe accounts for 35 percent of Heinz’s global sales, and thousands of different products are produced at more than 20 European manufacturing sites.

Each factory can produce a range of different food items and the quantity of output for each has to be matched closely to demand to minimize time in inventory and ensure the longest possible shelf life.

For more than seven years, Heinz has used JDA® Fulfillment and JDA® Sequencing in the UK to support its supply chain planning for the whole of Europe. The company’s supply planners use the solutions to make decisions about how best to align product lines and schedule production to meet demand. The solutions fulfill a vital role in the company’s core supply chain systems.

Determining the Time to Upgrade

Since the original deployment of the JDA Software solutions, Heinz’s business in Europe had grown significantly. This expansion was partly the result of organic growth and partly due to the acquisition of new sites across multiple countries. Every time that a new factory had opened, it had been incorporated into the JDA solutions, so that the whole business in Europe could be planned using the same solutions, all supported from the central server based in the UK.

This growth was starting to place a strain on the architecture of the solutions. The applications had been set up to work with separate databases for each country or region, and the organization now had a maze of more than 20 databases. The JDA application software shared the same physical servers as these databases, and this was causing compatibility problems.

“We hadn’t changed the architecture of our JDA solutions since they had first been deployed, and there seemed to be a lot of wins that we could gain from upgrading our software, hardware and database environment,” said Martin Trevers, IS project manager at H.J. Heinz Company Ltd.
Planning for Success

At the outset of the upgrade project, JDA worked with Heinz to undertake a detailed, full-scale assessment of the business requirements. As part of this assessment, JDA advised the company about the optimal database strategy and recommended the size and type of hardware necessary to meet current and future business needs. "The assessment was very worthwhile," said Trevers. "It gave us a clear picture of what we had to do."

Trevers believes that it was this thorough preparation that contributed to the complete success of the project. "The upgrade went very smoothly," he said. "We had a very clean cut-over, with no loss of service at all."

The project was very well executed by JDA Services, with proactive planning, regular communication, careful cost management and the use of JDA's Center of Excellence in India. Particular attention was made to maximizing performance tuning to achieve the best results from the revised infrastructure. Throughout the engagement, JDA's consultants worked closely and shared knowledge with Heinz's IT team. As a result, the IT team now has the skills and confidence to carry out any future tuning of the software itself. "The JDA consultants were professional and delivered an excellent service," said Trevers.

Achieving Substantial Cost Savings

Heinz is now running the latest versions of JDA Fulfillment and JDA Sequencing in a stable environment. These products are fully supported and will be easier for Heinz to maintain. Installed in the UK, they facilitate supply chain planning at 20 manufacturing sites across 16 countries in Europe.

Most significantly, the software upgrade has enabled Heinz to significantly reduce the number of databases for sequencing and fulfillment, with production now running on a single database for the whole of Europe. The company no longer has to support and maintain multiple databases, or pay the associated licensing and support costs. As a result, Heinz's ongoing database management costs have been reduced by 74 percent, and the project is on track to pay for itself.

Establishing a Platform for the Future

One of the main benefits that Heinz has gained from the upgrade is the ability to continue to expand and develop its supply chain planning tools. "This upgrade has opened the door for future plans," Trevers explained. "It has given us a robust, single platform on which we can add new sites and new functionality in the future."

Soon after the completion of the upgrade project, Heinz decided to expand its JDA portfolio with the deployment of JDA® Demand in Europe. This solution will replace an existing forecasting tool and enable the company to generate accurate forecasts, enhanced by market intelligence, for Europe. "We expect it to contribute to improved forecast accuracy and reduced stock inventory," Trevers noted.

"We are considering extending our use of JDA® Strategy in Europe where complexity makes it appropriate," concluded Trevers. The product is already used by Heinz in Australia and New Zealand. Heinz is therefore well on its way toward the deployment of a fully integrated, end-to-end supply chain planning tool for European manufacturing, with supply and demand planning on a single, common platform.

About JDA Software Group, Inc.

JDA® Software Group, Inc. (NASDAQ: JDAS), The Supply Chain Company®, is the leading provider of innovative supply chain management, merchandising and pricing excellence solutions worldwide. JDA empowers more than 6,000 companies of all sizes to make optimal decisions that improve profitability and achieve real results in the discrete and process manufacturing, wholesale distribution, transportation, retail and services industries. With an integrated solutions offering that spans the entire supply chain from materials to the consumer, JDA leverages the powerful heritage and knowledge capital of acquired market leaders including i2 Technologies®, Manugistics®, E3®, Intacct® and Arthur®. JDA’s multiple service options, delivered via the JDA® Private Cloud, provide customers with flexible configurations, rapid time-to-value, lower total cost of ownership and 24/7 functional and technical support and expertise.