REALTECH Ltd
P O Box 8300 ■ Symonds Street ■ Auckland 1150
P: +64 9 308 0900 ■ F: +64 9 308 0909
info@realtech.co.nz ■ www.realtech.co.nz

Mega Food streamlines processes, increases production and supports future growth with SAP

At a Glance

The Challenges

⊙ Manual order processing and invoicing caused production bottlenecks

⊙ Reporting, inventory management and pricing were not fully supported by current system

⊙ Inefficient business processes inhibited ambitious growth aspirations

The Solution

⊙ SAP Business One® application

⊙ REALTECH implementation services

⊙ REALTECH on-going support and application development

Key Benefits

⊙ Increases profitability as now Mega Food can set daily prices based on more accurate costs of individual items

⊙ Automated order entry, processing and dispatch enable significant growth without additional administrative overhead

⊙ Centralised customer / order / invoice database provides standardised, accurate information across all Mega Food business processes

⊙ Bi-lingual screens provide fast and accessible information for non-native English-speaking managers and staff

⊙ Advanced application development by REALTECH removes guesswork for daily price fluctuations and refines cost-accounting procedures for individual orders

With more than 400 individual perishable food products, 130,000 invoices per annum and hundreds of orders streaming into the call centre by fax, phone, email and text daily, wholesaler and retailer Mega Food is a company with a clear requirement for automated business processes. To help handle day-to-day activities and provide a platform for continued growth, the company has implemented the SAP Business One® application, which is designed for small to midsize enterprises. And, as its SAP Business One implementation and on-going support partner, the company selected REALTECH.

Three years ago, Mega Food had outgrown its then-current financial system and business model. "We were processing all of our orders, packing slips and invoices by hand," says Alan Lun, Director of East Tamaki-based Mega Food. "We had so much paper flowing through our office that we were struggling to find the space to stack it, much less process the information. Our focus on high-quality chilled and frozen foods - including chicken, pork, salmon and other products - was proving to be popular with customers. But we had maxed out our capabilities to keep up with demand, much less expand."

Automate for growth

Lun and his team knew they needed to automate their business processes. "We wanted a solution that would support our order taking, inventory, despatch, financials and reporting," explains Lun. "We looked into some of the mid-size business solutions on the market, but didn't really connect on a personal level with the various service providers. By contrast, the people at REALTECH made every effort to look at our business, understand our requirements and draft a proposal that provided both an immediate solution as well as a roadmap for future growth."

SAP Business One has given us a real competitive advantage."

- Alan Lun, Director, Mega Food

"Mega Food is a dynamic company," says Tim Charman, Business Development Manager for REALTECH's SAP Business One division. "They were a perfect fit for SAP Business One. We worked with Mega Food to centralise their order-taking, link that to invoicing, improve their reporting capabilities and set the stage for more comprehensive order processing and pricing options. They liked our approach and awarded us the contract."

Immediate positive impact

"The combination of SAP Business One and REALTECH had an immediate positive impact on our company," says Lun. "Instead of manually recording orders as they came in, our six call-centre staff can now enter the details of the order directly into SAP Business One. REALTECH designed the input screens so that our staff could quickly pull up the customer details, key in the orders and then move on to the next one. They built in a set of dropdown menus and standard selections that sped up the process. Plus every order was standardised so that the error rate due to incorrect entries almost disappeared. So we were able to process orders faster, more accurately and in a format that would feed into all of our other business processes including packing, invoicing and reporting."

Over the last three years, Mega Food has continued to post impressive growth. "Having SAP Business One as our ordering, inventory, invoicing and reporting solution has given us a platform for expansion," says Lun. "We have been able to add more products, more customers and process more orders without having to increase our overheads. SAP Business One has given us a real competitive advantage."

"The option for screens in either Chinese or English makes life much easier for us and helps us avoid any challenges that might occur when information becomes 'lost in translation.' This has become a major advantage of our SAP Business One solution."

- Alan Lun, Director, Mega Food

Complex pricing simplified

"Once we had the basics right," continues Lun, "we started to look for other ways to use SAP Business One to further streamline our operations. One area that had been a bottleneck for us was correlating the price we paid for meat products - particularly whole chickens - with the price we charged for the individual cut. With supplier prices changing daily, we have to be agile in our customer pricing.

"We sat down with the REALTECH team and outlined the whole process," he adds. "They designed a set of screens that would allow us to enter the cost of the bulk meat products, add the cost of processing the individual cuts, factor in additional overheads and margins, take into account shipping and refrigeration and then calculate the retail or wholesale price for our customers.

"We would do this for every delivery from each individual bulk-meat supplier every day, sometimes even twice a day. With this application we have total control over the entire process and can adjust our costings, margins and cash flows in real time. Before, we would have to estimate and hope that we were close. Now, with SAP Business One, the guesswork has gone and we deal in facts."

Bi-lingual views

As an added bonus, Lun and his team can view SAP Business One in both English and Chinese. "We are bi-lingual at Mega Food," explains Lun, "some more so than others. When we are in a hurry or preparing reports, sometimes it is easier for us to work in our native language. With the option for screens in Chinese or English, we can move back and forth seamlessly. It makes life much easier for us and helps us avoid any challenges that might occur when information becomes 'lost in translation.' This wasn't something that we specified at the outset, yet it has become a major advantage of the SAP Business One solution."

Strong relationship

Throughout the implementation and support process, REALTECH has been an invaluable resource. "They are very easy to deal with," concludes Lun. "REALTECH is proactive with any support issues, and if we have a special request or enhancement, they provide expert development services. We have a ten-year plan for continued growth, and we are confident that we will be able to achieve our goals thanks to SAP Business One and support from REALTECH."

"The combination of SAP Business One and REALTECH had an immediate positive impact on our company. We are able to process orders faster, more accurately and in a format that feeds into all of our other business processes including packing, invoicing and reporting."

- Alan Lun, Director, Mega Food

About Mega Food

Mega Food is a market-leading food wholesaler and retailer of chilled and frozen foods with a reputation for gourmet-quality products. With free delivery around the greater Auckland region and a retail/wholesale base of more than 1,500 customers on the North Island, Mega Food offers a broad range of chilled and frozen food on a daily basis. Mega Food provides chilled/frozen whole/portioned chickens, frozen seafood and duck, fresh salmon and chilled beef, pork and lamb to supermarkets, butcher shops, restaurants, takeaways, food bars and specialty outlets.