

## SAP Customer Success Story

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Gary Walden, Project Manager, C&H Sugar Company



### AT A GLANCE

#### Company Name

C&H Sugar Company Inc.  
United States  
www.chsugar.com

#### Industry

Consumer products

#### Key Challenges

- Lack of real-time, transparent data/limited visibility of inventory and production
- Nonintegrated business processes
- Lack of effective support for customer services/inability to meet customer demand for collaboration and information
- Inability to support new company strategies

#### Implementation Partner

itelligence

#### Solution and Services

- mySAP™ ERP
- SAP® Hosting, a part of the SAP Customer Services Network

#### Existing Environment

Outdated legacy system

#### Implementation Highlights

- Fast 10-month implementation, which included full range of SAP functions
- Installation of fixed scanners on all 24 production lines
- Use of RF scanners throughout large finished-goods warehouse
- Active participation and support of all functional areas

#### Key Benefits

- Better visibility into production and warehouse operations and inventory levels
- Improved planning/reliable bills of material and order processing
- Streamlined scheduling and distribution
- Greater control over inventory

#### Hardware

Hewlett-Packard servers

#### Operating System

Microsoft Windows



## C&H SUGAR COMPANY

### SWEETENING THE FUTURE WITH SAP® SOFTWARE AND SERVICES

“We wanted a single, integrated package from one vendor with a reliable and consistent interface,” says Gary Walden, project manager at C&H Sugar. And that’s why the company turned to SAP and its mySAP™ ERP solution.

#### A CLEAR VIEW OF OPERATIONS

For nearly 100 years, C&H Sugar has remained committed to traditional business values and its loyal customers and employees. However, when a 13-year-old IT system could no longer support its business strategies, the company was ready to embrace the future with a state-of-the-art SAP® solution. “Despite constant modification, our legacy system simply could not do the job,” explains Walden. “The modifications made the system harder to use, and we lacked a clear picture of production and inventory.”

The legacy system lacked the ability to provide accurate data, and C&H Sugar was unable to respond to customers with either new products or services. “We needed a system that would help us support new company strategies and respond to customer demands for collaboration and information sharing,” says Walden. “The SAP solution gave us accurate, up-to-date information on production and inventory, and we improved our processes across the entire company.”



Located in Crockett, California, C&H Sugar Company Inc. is a midsize company that refines and packages raw sugar for distribution in about 100 different forms. With sales divided equally between industrial and retail customers, the company produces more than 700,000 tons of cane sugar annually – that’s 8% of the U.S. domestic refined sugar – from its single refinery.

### **INCREASED VALUE/REDUCED RISK**

To select a solution, C&H Sugar gathered its business requirements and prioritized its needs. “The company was tired of dealing with add-on and work-around software,” explains Walden.

After evaluating solutions from 11 vendors, the company selected SAP Hosting to provide mySAP ERP. While the capabilities of the solution were important, SAP’s strong consumer products industry experience was critical.

After initial discussions, SAP account executive Jennifer Campbell quickly realized that a typical mySAP Business Suite implementation would be the best match for the employees at C&H Sugar. “The company’s staff had never operated in a client/server environment,” she explains. “If we hadn’t offered a hosting approach, we may not have been perceived as offering a total value proposition. The SAP Hosting team provided valuable strategic support in putting together a hosting-based proposal.”

With direct involvement of Bill McDermott, president and CEO of SAP America, and Ross Wainwright, vice president of sales for the western region, the team demonstrated that SAP Hosting’s superior solutions would lead to faster time to benefit, lower total cost of ownership (TCO), and reduced overall risk. The team also made it clear that the company could enjoy all the benefits of its SAP solution without having to invest time and

money in hardware, while allowing its IT staff to place greater focus on the company’s core competencies. And finally, by hosting the solution, C&H could reap the benefits of SAP’s strong, long-term commitment to customer satisfaction.

The hosted solution proved to be just what C&H wanted.

Soon after kick-off, C&H Sugar expanded the project to include warehouse management and the installation of radio frequency (RF) scanners throughout its finished-goods warehouse and

fixed scanners on all of its production lines. Despite the increase in scope, the SAP solution was ready to roll less than a year later.

“We actually went live with the human capital management capabilities in less than five months,” says Walden. “And even with the added functionality, we went live with the entire solution

in about 10 months. With tight controls, a dedicated project team, and the active involvement of a wide mix of people from the company, the implementation was a positive experience.”

### **BETTER CONTROL/ENHANCED VISIBILITY**

C&H Sugar now has greater control over its production processes and improved visibility into its inventory, which is important as more customers demand collaborative operations. “We have larger customers who want us to use sophisticated communications protocols,” says Walden. “With the production scanners feeding our SAP software, even a midsize company like ours can provide up-to-date inventory and order fulfillment information using a variety of electronic communications protocols.”

In addition, C&H Sugar improved its transportation and distribution operations, which contribute nearly \$30 million to annual operating costs. “We have a limited number of loading

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bays, so being able to reliably schedule truck arrivals and departures has significantly improved our distribution efficiencies,” explains Walden.

While C&H Sugar has enjoyed some cost savings, the real value of the SAP solution lies in the company’s ability to move employees from manual tasks to higher-value activities. Says Walden: “Instead of merely gathering data, we’re now analyzing and evaluating that data, leading to more effective decision making and planning.” A later implementation of SAP Business Intelligence, a component in the SAP NetWeaver™ platform, will further support additional analysis.

“We’re very pleased with how well the project went,” he adds. “Now we have many opportunities to build on the foundation that we’ve created with mySAP ERP.”

#### **THE SAP CUSTOMER SERVICES NETWORK ADVANTAGE**

SAP Hosting, which is a part of SAP Customer Services Network, provides a single point of access to the most comprehensive SAP solution services, including consulting, education, support, custom development, and hosting.

In addition to providing easy and consistent access to solution services, resources, and tools from SAP and its partners, SAP Customer Services Network helps companies realize maximum value from their technology investments by addressing the concerns and metrics that matter most. It offers the stability, reliability, and proven experience that companies expect when working with a business partner that has been delivering results consistently for more than 30 years.

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