



RYC ALIMENTOS

INTEGRATING PROCESSES TO SUPPORT FARM-TO-FORK OPERATIONS

Industry

Consumer products – food companies

Revenue

MXN 1 billion (US\$77.6 million)

Employees

1,000

Headquarters

Puebla, Mexico

Web Site

www.rycalimentos.com

SAP® Solutions and Services

Agroalimen-TI, a qualified SAP® Business All-in-One partner solution

Implementation Partner

Crystalis Consulting S.A.

Key Challenges

- Unify business processes with an integrated solution
- Centralize database to improve data integrity
- Gain access to real-time business data to support decision making
- Adopt a scalable solution to support growth
- Enhance data analysis ability and increase business transparency to gain better control

Implementation Best Practices

- Deployed preconfigured solution and applied partner's food-industry expertise to speed implementation
- Minimized customization by adapting business processes to software
- Used ASAP methodology
- Conducted thorough training to ensure user proficiency

Financial and Strategic Benefits

- Achieved better visibility into and control across operations through integrated solution
- Enabled better-informed and faster decision making through real-time data and improved data integrity and accuracy
- Improved financial reporting for better fiscal and operational management
- Increased inventory control and materials utilization
- Enhanced business-process ownership by defining roles and responsibilities

Why SAP Partner Solution Was Selected

- Configuration to support industry best practices
- Single, accurate source for business data
- Comprehensive software solution that can help integrate key business processes and provide real-time visibility of data
- Reputation as a trusted software vendor
- Availability of highly qualified local partner

Low Total Cost of Ownership

- Eliminated legacy system
- Adopted solution that can scale to meet future business needs
- Reduced costs associated with IT support and future upgrades by adopting standard software for core processes

RYC Alimentos S.A. de C.V. produces high-quality meat products that it markets throughout Mexico via stores it operates, franchises, and a distribution network to national supermarkets. Innovation fueled the company's growth, driving it to search for a software solution to better support its operations. RYC implemented a qualified SAP® Business All-in-One partner solution and achieved its goal to improve fiscal and operational management.



Operational Benefits

| Key Performance Indicator | Impact |
|--------------------------------------|------------------------|
| Availability of financial statements | +100% |
| Inventory | -10% |
| Production waste | -60% (from 1% to 0.4%) |
| Production cost control | +90% |
| Financial closing process | -50% |

“With SAP software, we know in real time the exact operational status of the entire company. Many of our suppliers and customers have SAP software so communication is better. It is a true technological advantage for us.”

José Ramón Lozano, Vice President, RYC Alimentos S.A. de C.V.

Food Business Finds Recipe for Success

Growing from a single butcher shop to a household name didn't happen by chance for RYC Alimentos S.A. de C.V. The Puebla, Mexico-based company, which processes and sells pork, beef, poultry, and other meat products, grew through innovation. Now with 8 regional distribution centers and a chain of 18 meat stores in central and southeastern Mexico, RYC is recognized for innovation in product development and marketing. The company's growth, however, drove the need for better operational control.

“We managed operations with an internally developed legacy system comprised of disparate applications,” says Roberto Cortés, RYC's chief financial officer. “We had no real-time availability of information regarding business operations.” Realizing that it needed an integrated software solution to help it achieve better control, RYC evaluated solutions from Oracle, Microsoft, and SAP for nearly a year. Ultimately, the company selected Agroalimen-TI, a qualified SAP® Business All-in-One partner solution from Crystalis Consulting S.A., due to its industry-specific focus. “We selected this solution because we believed its functionality would best support our efforts to drive profitability and establish industry best practices for our operations,” Cortés adds.

Leveraging Industry Expertise

RYC worked with Crystalis's meat division in Mexico, which implemented the solution using the ASAP methodology. “Crystalis's expertise was especially valuable during the early stage of business process reengineering,” says Cortés. “To streamline the implementation and control costs, we accepted the standard, preconfigured settings in the software.”

Crystalis deployed six consultants, and RYC contributed five IT and business associates to the project. RYC gained integrated functionality for production planning, materials management, sales and distribution, and financials. To ensure user proficiency, RYC provided classroom and one-on-one training for key users.

Serving Up Operational and Supply Chain Improvements

Since deploying the SAP partner solution, RYC has experienced improvements enterprise-wide. “We can perform cost evaluations to improve efficiency across the entire production chain,” says Gilberto Aguirre, facilities engineer for RYC. “Plus, adopting best practices more clearly defines our roles and responsibilities within the larger context of the enterprise.”

Improved financial management processes means RYC can close its books 50% faster

www.sap.com/contactsap

each month, while improved data analysis functionality supports RYC's marketing efforts. “We can establish goals and profit margin targets from the farm to the specific product that we market,” Aguirre adds.

Data integration and integrity are key benefits for RYC. “There is no doubt about the validity of the data we are using to make decisions,” says Javier Lezama, RYC's supply chain manager. “Operative and production planning are integral parts of our responsibilities, so accurate information is critical.” Improved business insight has enabled RYC to reduce its inventory by 10% and reduce production waste by 60%.

Supporting New Business Initiatives

Although RYC has focused its marketing strategy on Mexico up to now, its vision goes beyond national boundaries. “We have great potential to grow,” Cortés adds. “Our SAP software will support this expansion by helping us maintain tight control of operations.” By operating at maximum efficiency, RYC can target new markets with competitive prices while delivering high-quality products.

Implementation Partner

Crystalis Consulting provides technological, strategic, and organizational solutions and consulting services to companies in a wide range of industries.



50 098 603 (10/03)

©2010 SAP AG. All rights reserved.

SAP, R/3, SAP NetWeaver, Duet, PartnerEdge, ByDesign, Clear Enterprise, SAP BusinessObjects Explorer, and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and other countries.

Business Objects and the Business Objects logo, BusinessObjects, Crystal Reports, Crystal Decisions, Web Intelligence, Xcelsius, and other Business Objects products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP France in the United States and in other countries.

All other product and service names mentioned are the trademarks of their respective companies. Data contained in this document serves informational purposes only. National product specifications may vary.

These materials are subject to change without notice. These materials are provided by SAP AG and its affiliated companies ("SAP Group") for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.

THE BEST-RUN BUSINESSES RUN SAP™

