

# Integration in practice: Nestlé Purina and CROWN



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# What are Nestlé Markets doing

**Most key Markets are working with suppliers on local initiatives to make the joint supply chain processes effective and efficient**

## **Increased forecast visibility**

- Enabling suppliers to optimize production planning and delivery (transportation)

## **Stock capital optimization**

- Reducing working capital on both sides

## **Reduction of obsolescence**

- Dependent on Marketing planning but also on information sharing

## **Improved efficiency at goods receipt**

- Enabling better data capture to improve traceability

## **Improved financial settlement**

- Automating invoice matching

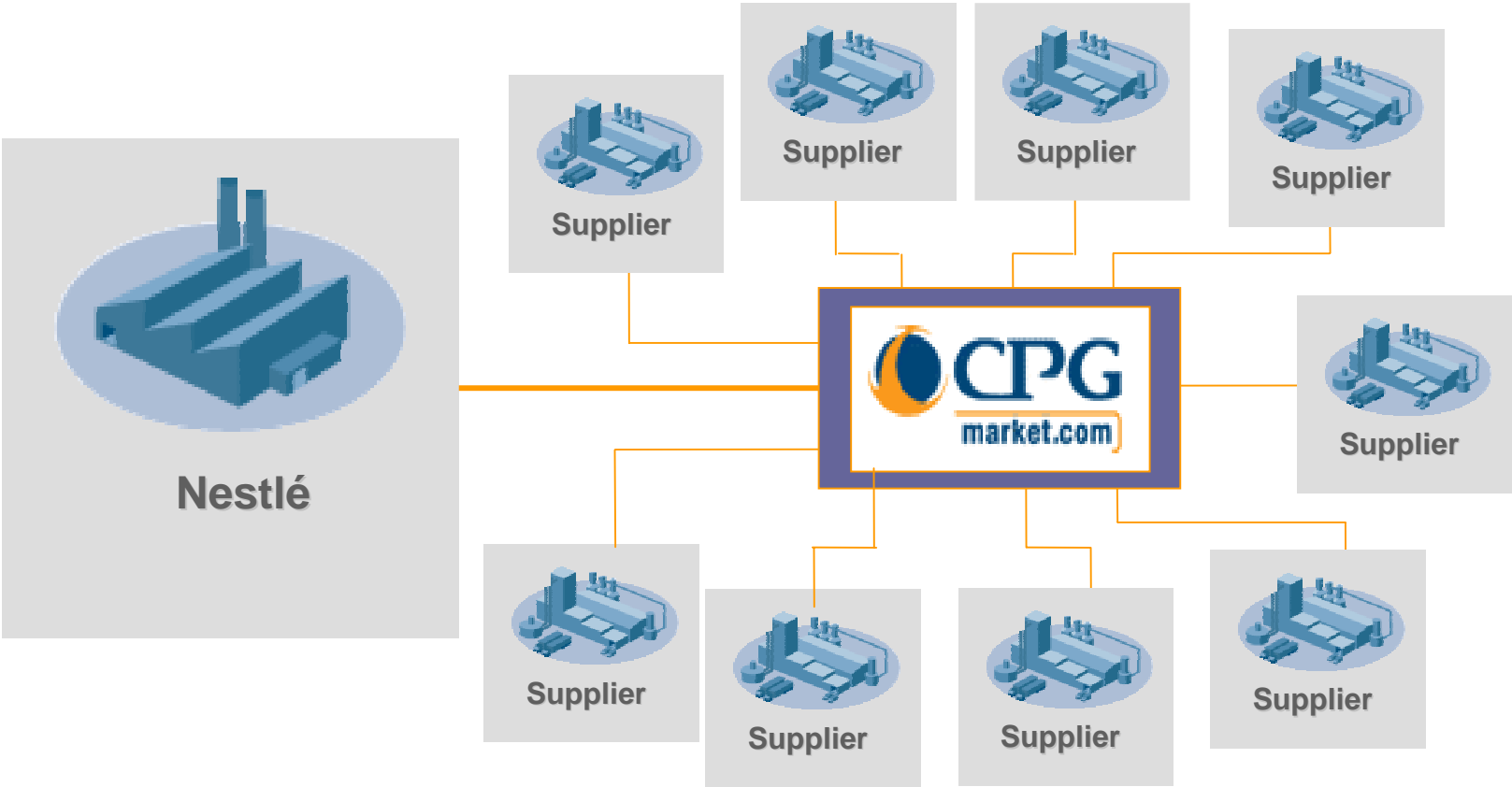
# Nestlé upstream supply chain program

The scope of Nestlé upstream supply chain program is to maximise the benefits of those initiatives across Markets



Automation of message exchange and integration into ERP systems are prerequisites for accurate and reliable data which are the foundations of a more effective and efficient upstream supply chain

# Upstream supply chain roll out plan



# Current deployment

## Standard solution

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- Current projects through CPGmarket

Markets	Nestlé Plants	Supplier Plants	Couples
5	22	43	90

## Existing local solutions

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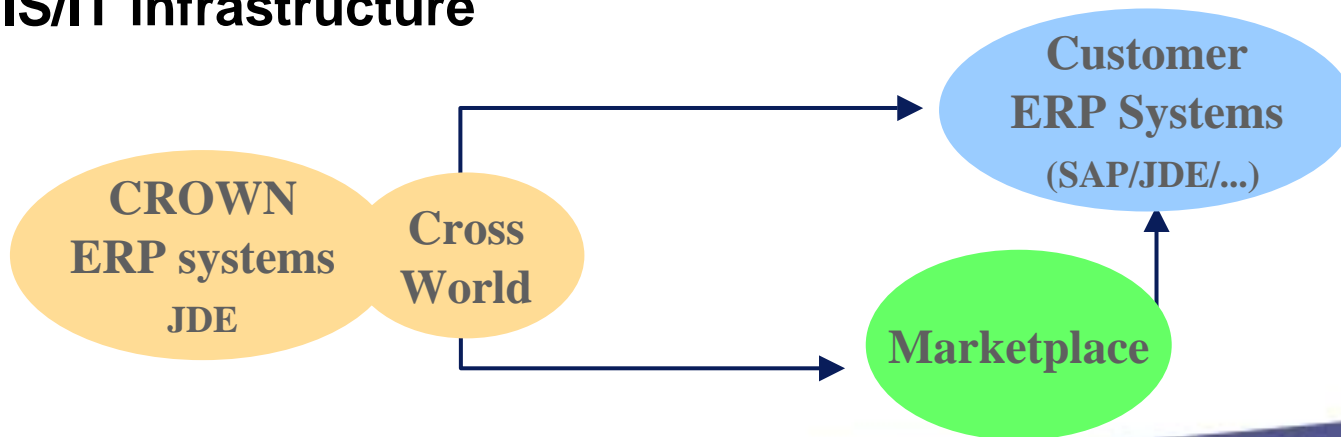
- Many projects live in key Markets using local solutions (e.g. point-to-point)

# CROWN Europe



# CROWN « plan to cash » supply program

- **Shorten lead times, reduce inventories and improve forecast visibility**
- **Eliminate non-added value tasks and costs on both sides:**
  - Improved financial settlement
  - Simplified ways of working across all plants in Europe
  - Automated traceability
- **Ease communication through system integration investment in IS/IT infrastructure**



# Nestlé / CROWN relationship in Europe



- **30 Nestlé sites**
- **26 CROWN sites**
- **10 Countries**
- **Over 25,000 deliveries per year**



# Nestlé Purina / CROWN project scope

Over 160M cans & 230 M ends managed by exchanging integrated messages (Forecasts/Orders/...)

CROWN  
Concarneau  
Nantes  
Laon  
Outreau  
**Perrywood**  
**Braunstone**  
**Wisbech**  
Parma  
Dunaska  
Streda



Nestlé  
Quimperlé  
Aubigny  
**Wisbech**  
Ijmuiden  
Castiglione  
Bük

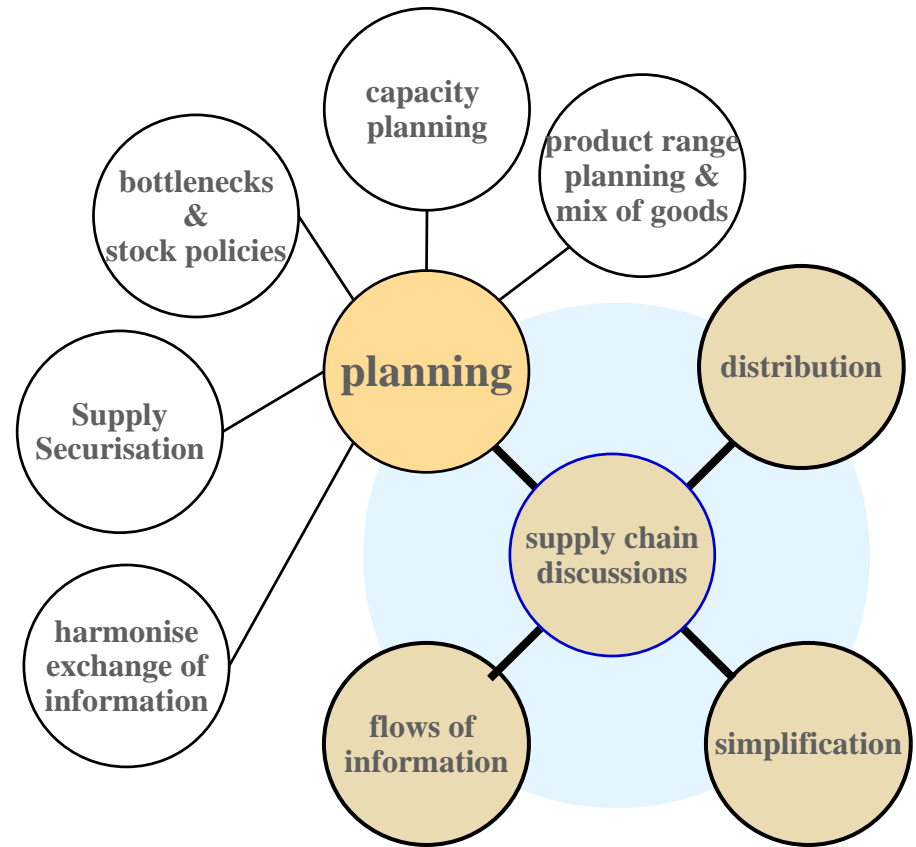
# Nestlé Purina / CROWN project

## Critical aspects to achieve Nestlé Purina / CROWN objectives:

- 1. Key processes review / simplification / harmonisation**
- 2. Message availability**
- 3. Automation of message exchange and integration into ERP systems**

# Key processes review

- Review planning rules
- Review lead times and stock management policy
- Re-define goods receipt process
- Integrate use of scanned data of physical flow....



# Integration scope



Supplier



CROWN

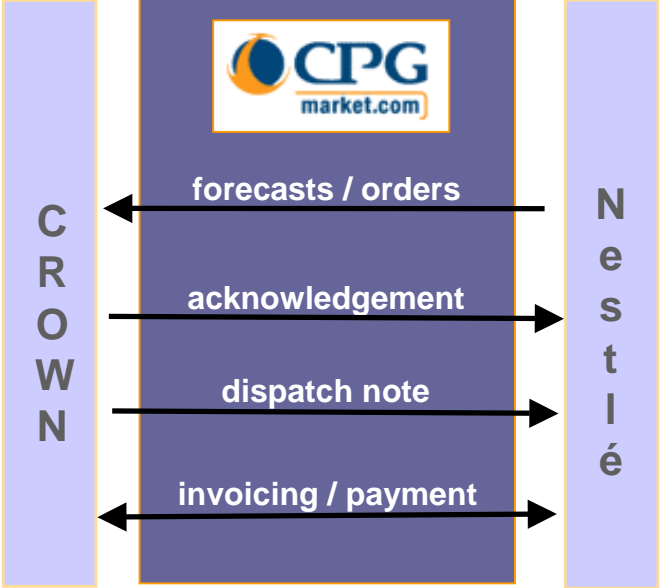


Nestlé

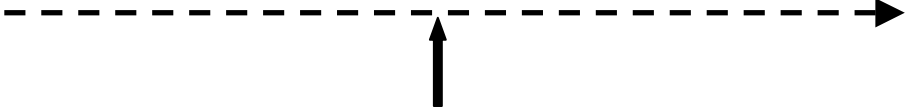


Retailer

## Information flow



barcoded data capture



## Physical flow



# Current status/Achievements

- **Foundations of upstream integration between Nestlé Purina and CROWN have been established**
- **Benefits identified though project still in the process of being rolled out**
- **Full benefits to be achieved during roll out across Europe**

# Conclusions

- **The project between Nestlé and CROWN has proved the opportunities for upstream integration**
- **To scale the benefits across trading partners an industry integration solution should be agreed between companies**

