

Blue Diamond Growers' Digital Supply Chain Journey with SAP S/4HANA and SAP IBP

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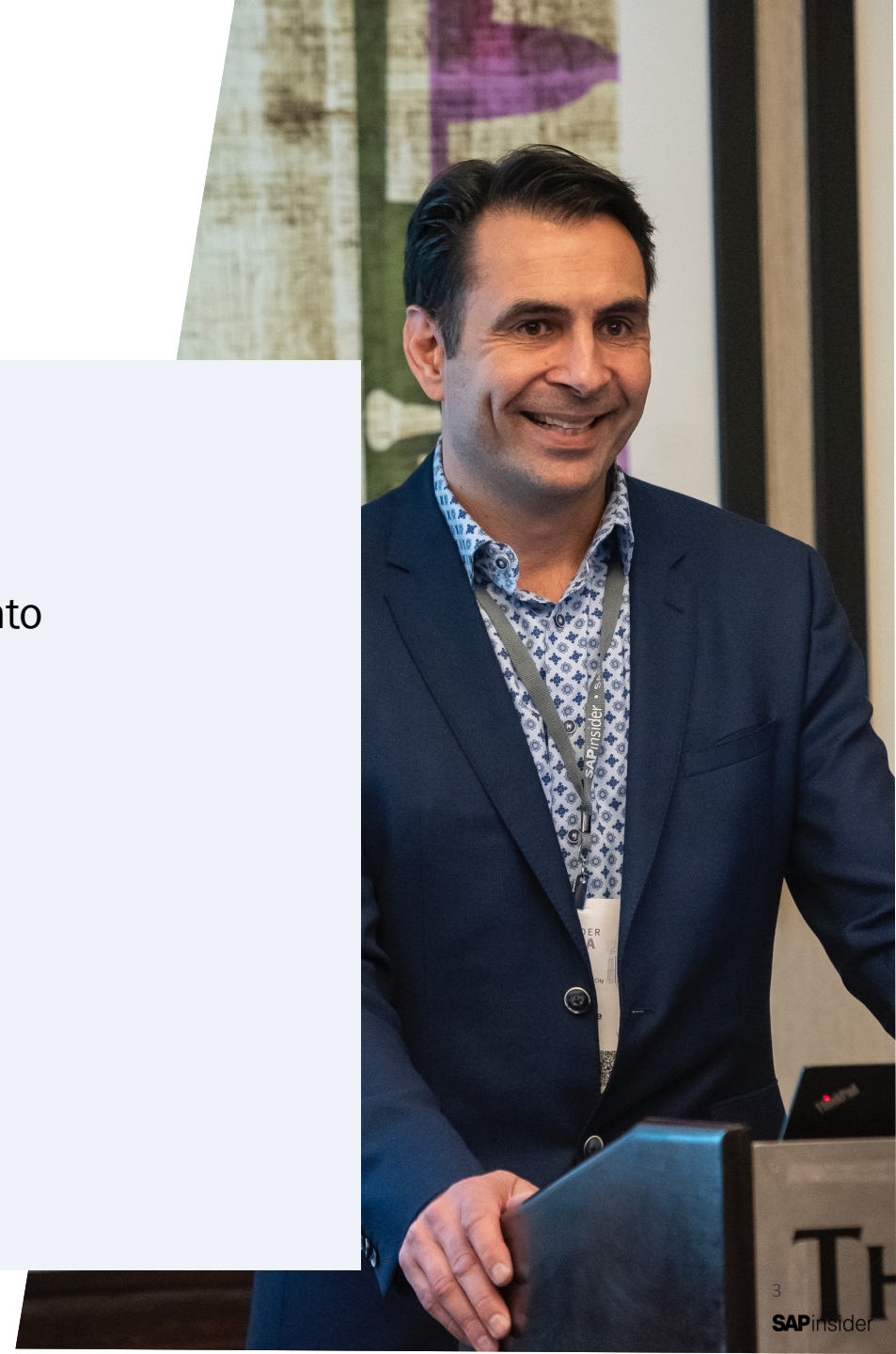
In This Session

Is your organization needing to improve visibility and decision-making and considering SAP IBP?

This session will present Blue Diamond Growers' journey on how they are leveraging SAP S/4 HANA and IBP for their Supply Chain for extended planning and analytics.

What We'll Cover

- Blue Diamond Growers Introduction
- CloudPaths Introduction
- Challenges improving planning and visibility into demand and supply planning capabilities
- Vision and Roadmap
- Benefits and lessons learned in our journey
- Keys to Success
- Q&A



Blue Diamond Growers Introduction



Blue Diamond Growers Overview

- ◆ Almonds - Largest California Agricultural Export
- ◆ BDG - world's largest almond marketer and processor
- ◆ 113-year-old cooperative – established in 1910
- ◆ 3,000-Member Grower-Owned Cooperative
 - Majority of almond growers in California
- ◆ 1,800 employees
- ◆ Export to over 100 countries
- ◆ Processing Plants
 - Sacramento: Headquarters, opened in 1912; Home to the world's only Almond Innovation Center
 - Salida: Largest receiving station in the world at 5.5 million pounds per day
 - Turlock: Food Engineering named facility **Plant of the Year** in 2014

Global Ingredients



Branded Almond Product Categories



Food Service



Mission – To maximize the return of each grower who entrusts Blue Diamond with their almonds

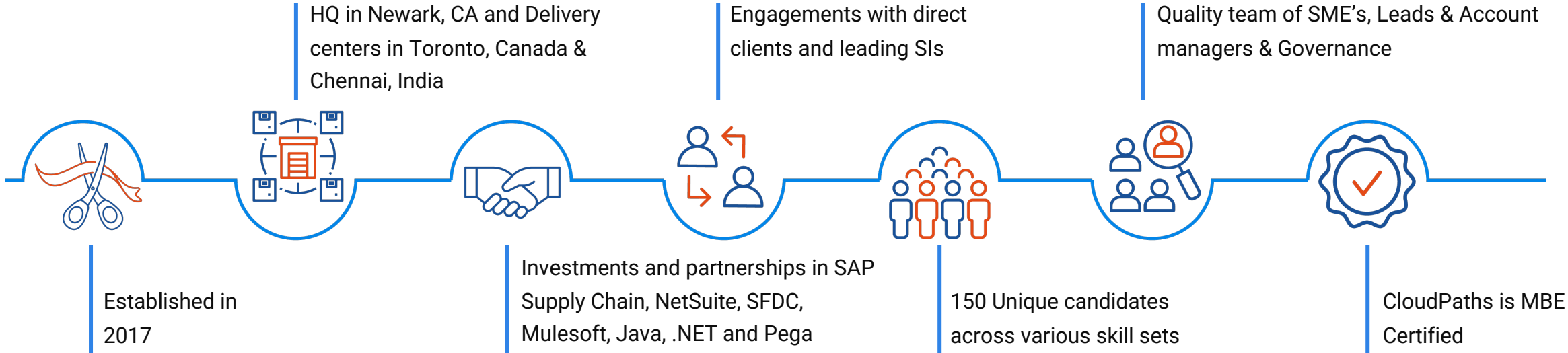
High Level Process Flow: Field to Shipment



CloudPaths Introduction



CloudPaths Overview



Our Customers



Partnerships



Our Supply Chain Practice

50+

IBP/CPI Professionals

6 Yrs

In Services business

3 Yrs

SAP IBP Services

1st

Partner to Provide API based
integration to Sales Force

200 Yrs

Total SAP IBP Experience

8

Customers for
SAP IBP

3

Apps on BTP

Partnered with SAP DSC



Taking IBP to the next level of AI/ML

N noodle.ai

FlowOps for Supply Chains

Our IBP Accelerators



FORECAST DE-
BIASING



PIPELINE
PREDICTABILITY



IBP DATA
INGESTION



INVENTORY
MONITORING



DYNAMIC COST
DETERMINATION



TOTAL MARGIN
MANAGEMENT



PROJECT BASED
PLANNING



SUPPLY
OPTIMIZATION

Blue Diamond Growers - Challenges

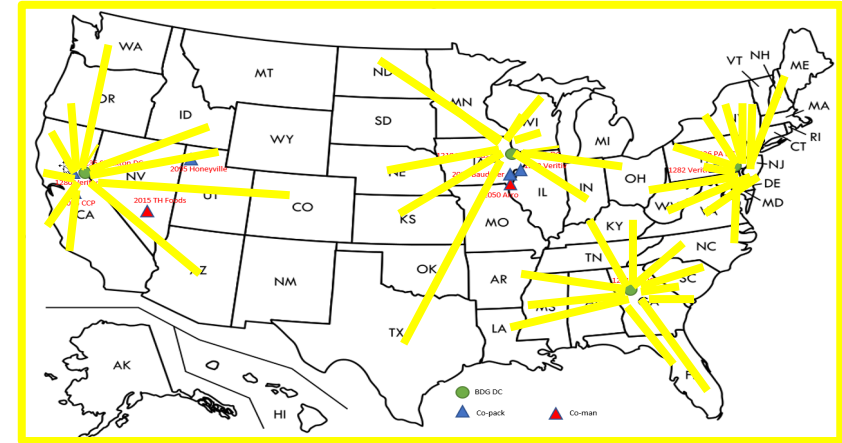


Challenges

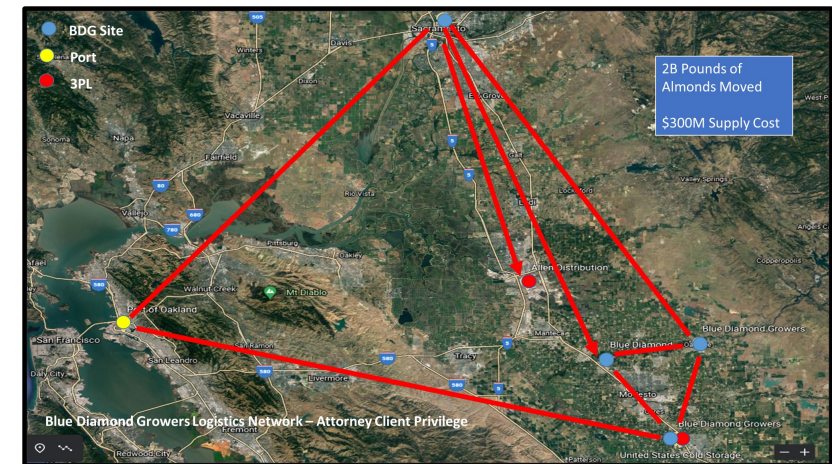
\$300MM supply chain optimization opportunity

- ❑ Supply Chain Planning process is a 12-month Demand and Supply plan covering all businesses in the division. The process had required -
 - ❑ Significant amount of effort to consolidate/validate data (especially metrics)
 - ❑ Limited/No ability to run Scenarios & Simulations
 - ❑ Data analyses from different legacy tools/spreadsheets for Production/Purchase, Deployment etc.
 - ❑ COVID reiterated a need for more dynamic planning

3PL Network \$100MM



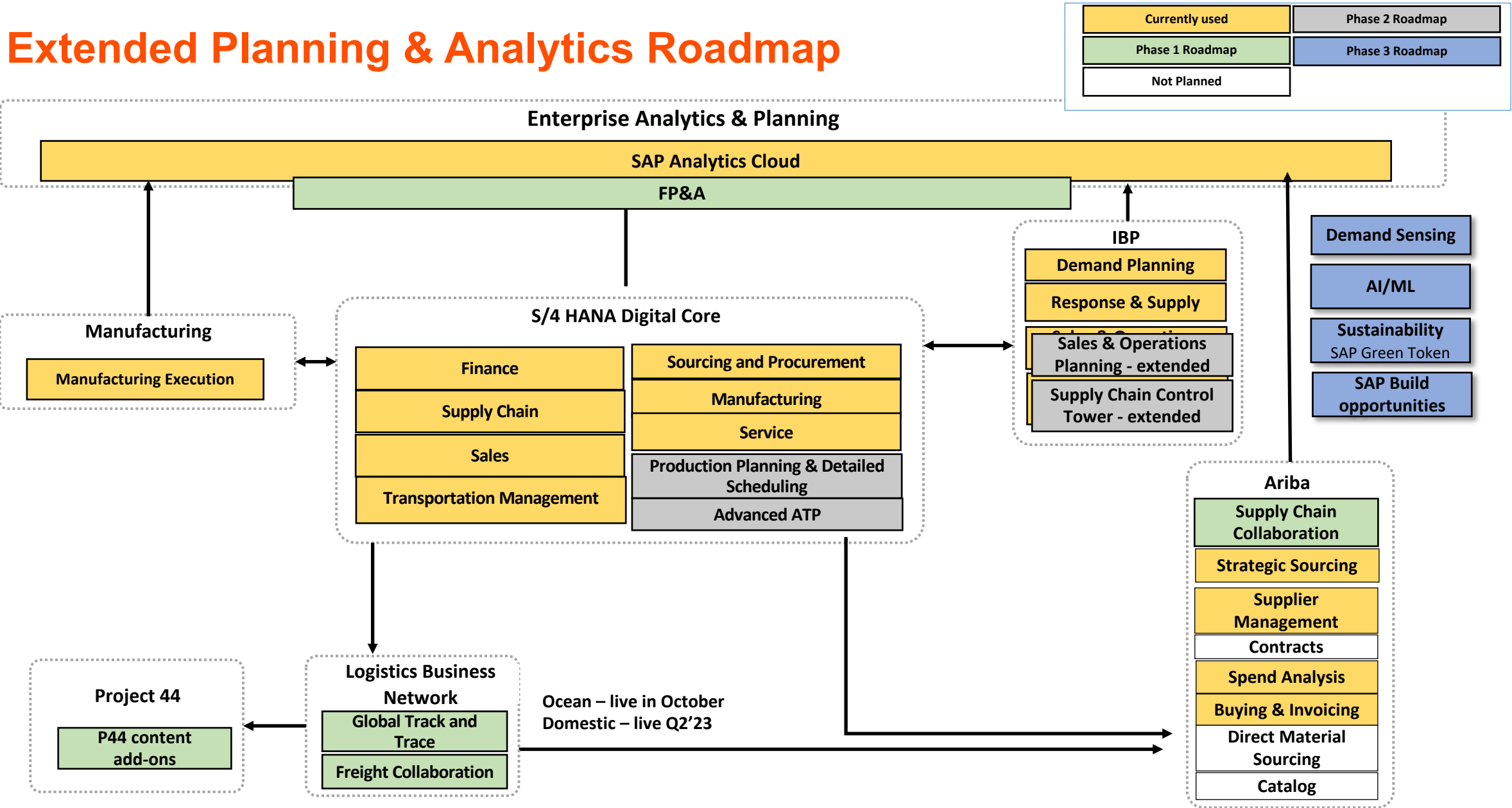
Supply Network \$200MM



Blue Diamond Growers – Vision and Roadmap



Extended Planning & Analytics Roadmap



Blue Diamond Growers – Benefits and Lessons Learned in Our Journey



Business Benefits



One Unified Plan

One Unified Plan - for Demand, Supply and all manufacturing plants



Visibility and Velocity of Data

Significant productivity improvements for forecast changes and self service analytics / reporting

Ability to act on short term demand changes



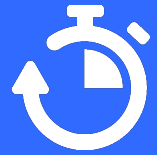
Forecast Error Reduction

Forecast accuracy statistics across data contributors



Scenario Planning

Ability to quickly run 'what if' scenarios across demand & supply process



Time Efficiency

Reduction in integration touchpoints between different planning groups



Hard Savings

Inventory and premium freight cost reduction

Business Benefits – Current and Expected

- **Demand Planning statistical forecasting** for Consumer, Foodservice and Ingredient
 - Improved visibility and lead times - **expedited transportation** expense - **\$1M in savings**
 - Improved deployment of **inventory** - **60 days of inventory vs 75 days** - \$500K in savings
 - Improved customer contract, make to order and make to stock crop processing for global ingredients
 - Delivered Consumer **Fill rate of 99% vs industry of 89%**
- **Supply Planning** customer-level enhancements to improve speed-to-market
 - Enables future **improved material requirements planning** (MRP) to **reduce out of stocks**
 - Ability to plan **ocean freight** and **secure capacity past five weeks** by forecasting by customer
- **Product Availability** Optimization algorithm for ***highest return and best use*** of almonds
 - Improve **internal transportation and warehouse utilization planning** for sortation by variety and size of almonds
 - Reduce manual planning effort to **calculate crop availability** and planning for future years
 - **Utilize AI and ML** to optimize and compress models to **improve availability solutions to enhance profit**

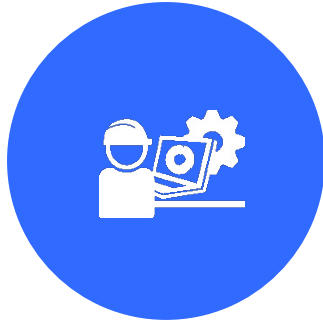
Blue Diamond Growers – Keys to Success



Keys to Success



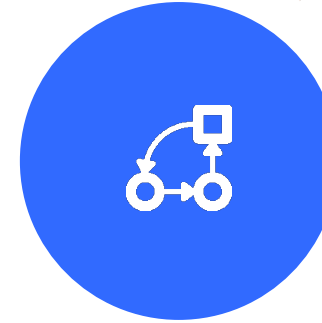
Mitigation plans
were in place to
manage risk



Training plans
are essential



Start early with
data
understanding
and data quality



Ability to make
significant changes
was possible
leveraging the agile
implementation
approach



Keep the solution
design as simple as
possible; weigh the
addition of complexity
when the value of trade-
off is clear.
Focus on ongoing
continuous improvement

- [SAP Enterprise Support](#) services for guidance, continuous quality checks (CQC), resolutions
- [SAP Early Adopter Care](#) program, helping simplify projects, aid innovation, and accelerate digitalization

[Strong partners to provide guidance and deployment knowledge](#)

Blue Diamond Growers – Q&A



Thank you! Any Questions?

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