



Fresh Produce Group

www.freshproducegroup.com.au



At A Glance:

- **Company:** With offices in Australia and Asia, and a network that spans from farms in California to restaurants in Sydney and supermarkets in Thailand, the Fresh Produce Group grows, sources and distributes quality fresh produce worldwide.
- **Headquarters:** Sydney, Australia
- **Industry:** Wholesale/Distribution; Food
- **Challenges:**
 - Rapidly growing business dealing in perishable products
 - No real-time insight into the business performance
 - Lack of control over business and profitability
 - Only limited number of staff could see end-to-end business
- **Software switched from:**
 - DOS-based custom-built financial system
 - Excel inventory and forecasting
- **Solution:** NetSuite ERP
- **Results with NetSuite:**
 - Net profit margin has improved by 100 percent in the first 18 months of implementation
 - Savings of approximately \$1 million per annum through identifying and eliminating unnecessary overheads
 - NetSuite is seen as a valuable asset in supporting FPG's merger and acquisition growth plans
 - Staff and partners around the world have access to current actionable information anywhere, anytime

“NetSuite is giving the Fresh Produce Group ‘Paddock to Plate’ visibility and control across our increasingly profitable global business.”

— Leon Condon, Director, Fresh Produce Group

Results

Fresh Produce Group (FPG) has grown quickly into one of Australia's larger and most innovative fresh produce providers which sources and delivers the highest quality fruit and vegetables on offer from around the world.

To make its mark in the rapidly transforming produce industry in Australia and other major global markets, plans were set in train to grow the business through organic expansion as well as by acquisition.

FPG Director, Leon Condon, recognised that in order to thrive, FPG needed a solid platform from which to manage all its activities—from the farm gate to the customer's plate. To do so, it had to become a technologically advanced business.

Challenges

Prior to Leon Condon joining the Food Produce Group (FPG) as a Director in 2008, the organisation was operating on a DOS-based financial system which was actively used by only a handful of accounting staff. Forecasting and inventory were compiled from Excel spreadsheets. And, there were no tools for sophisticated analysis of the business or its planning.


“We were looking for visibility, control and profitability. It is critical in the perishable produce industry to be able to analyse and measure the business through multiple dimensions. We have to know all attributes of our stock, in multi-locations, in real-time,” Condon says.

From the farm packing shed through to logistics and on to the customer, the common goal of all partners in the FPG chain is on-time delivery of quality produce for the right price.

“With mangoes, for instance, the quality and price varies considerably between the product which is delivered and sold on Monday to the last boxes sold on Friday,” says Condon.

“FPG needed timely reporting, more accurate data, and accountability for all staff. NetSuite has contributed significantly to the improvement in what is a high revenue, low margin business. After 18 months FPG's net profit margin has improved by 100 percent. It has helped identify and eliminate overhead expenses which is saving approximately \$1 million per annum.”

Condon says the new reporting facilities have helped reposition the business and, significantly, given FPG's banking partner greater confidence in the company's capabilities and future. “The implementation and continuing development of the system is not seen as a cost to the business. Rather, it is a valuable asset in supporting our growth plans,” Condon says.

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“Our NetSuite technology platform has been reviewed by an independent party who has confirmed that it is giving FPG a significant advantage and sets us up for growth. It's paid for itself several times over.”

— Leon Condon, Director
Fresh Produce Group

Solution

Because many of the FPG team work away from an office environment, the organisation required an internet-based, Software-as-a-Service model for ‘anytime and anywhere’ access.

“From farmers in Australia to traders in California and managers in Shanghai, people are using a range of devices to access the business. As they commute across the globe, the mobility and accessibility of the NetSuite system is not only liberating, but vital,” Condon says.

“I’ve been using NetSuite for a number of years. What is appealing is that you can deploy rapidly and then customise to your liking as you gain greater visibility and understanding of your business. Rapid deployment also means you get faster access to the information you need to start making changes and benefiting from the returns.”

From placing the order with NetSuite to ‘go live’ took three months, and then the fine-tuning has been an ongoing process. “We focused on the ERP and sales elements of the NetSuite offering and have undertaken a complex integration with a third-party warehouse and barcode tracking system,” he says.

“The new functionality has allowed us to discover genuine insights about the company. What we didn’t understand until we started to really ‘see into’ the whole operation was that, effectively, the four divisions (imports, exports, wholesale and services) were actually four separate businesses with very different drivers and system needs. This impacted the complexity of integration and required a greater effort than we had anticipated,” Condon says.

Seventy of FPG’s 100 employees are licensed on the system with about 65 currently deployed.


“In the past, our trading data was viewed by three or four sales managers, but now all our key people can see the end-to-end business in real-time and play their part in providing better decision making. When you have accurate, current information you can take corrective measures to manage better outcomes,” he says.

Measurement of staff activities, processes, stock and trading performance are essential to the new FPG. “What gets measured gets done, gets changed, gets improved,” Condon says. “I love the dashboard functionality. We are progressively implementing a whole FPG scoreboard down to individual KPIs. We are using dashboards for everything from performance measurement to reminders, and role-dependent and work effort lists. The drive is for staff to know what they should be doing and when. It’s so much better than it was before,” he says.

“We can reward good performance and, importantly, manage out poor performance. Key individuals can now be identified and empowered to become better managers. NetSuite offers a great workflow collaboration tool. Everyone upstream now has full knowledge of the impact of their actions on downstream colleagues.”

Finally, Condon says the FPG staff are pleased with the new clarity. “They know better what’s expected of them. Far more people have control over the quality of the work they do and the profitability they are responsible for.”



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