



SOFTENGINE SAP BUSINESS ONE CUSTOMER SUCCESS STORY

TRUDEAU DISTRIBUTING

Distributor Uses SAP® Business One To Cut Costs And Free Capital For Growth



TRUDEAU
DISTRIBUTING COMPANY

Quick Facts

Location: Burnsville, Minnesota

Industry: Wholesale Distribution

Products/Services: Specialty Food Products

Website: *acquired by UNFI:* <https://www.unfi.com/>

Solutions: SAP Business One; Softengine Food One,

"We like being able to say we run SAP software – because of the 'power' of the brand."

– Jason Dugan, CFO, Trudeau Distributing Company

Trudeau Distributing Company understood that to continue its growth from an entrepreneurial organization to a middle market company, it needed to revamp its software for enterprise resource planning. Company employees were relying on homegrown software supported by one person to meet their increasing and often urgent demands for information. That's when Trudeau, a leading independent distributor of specialty food products, turned to the SAP® Business One application.

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WHY SAP BUSINESS ONE

One System Across Operations, Financials, Sales, Purchasing & More

SAP Business One is an affordable and integrated business management solution designed specifically for small and midsize businesses. Trudeau, which has headquarters in Burnsville, Minnesota, just south of Minneapolis, uses the SAP software across its operations – from financials through sales, purchasing, inventory control, logistics, and reporting. Orders from its 950 customers come in via phone, fax, and e-mail, and from remote transmission to SAP Business One from in-store product scans.

Order processors use the software to check credit and apply any special or promotional pricing. The orders are picked from the warehouse for same-day shipping and delivered by the company's own fleet of 22 trucks; dispatchers use the software's route planning and optimization functionality to plot the most efficient truckload and delivery strategy.

Information now flows as smoothly as company operations. "We are better able to determine the full distribution costs for each one of our products," says Jason Dugan, Trudeau's CFO. "We can view sales by product or customer or any number of parameters. We can calculate the gross margins and profitability of each delivery route. I can run a report at any time showing my raw product costs – what has gone up and what has gone down – to determine whether we should increase the price on finished goods because the input price from one of our 450 suppliers has changed. This is real information that has allowed us to negotiate more effectively with customers and vendors."

Best of all, Trudeau employees can get this information themselves. "The SAP Business One application's flexibility enables people to get whatever data they want on their own," says Annette Mitchell, business analyst

"We've reduced inventory by 25% because we were able to order items more efficiently. And this has allowed us to lower out-of-stocks and reduce working capital. Altogether, these savings have increased our cash flow and have provided us with the working capital that will allow us to grow."

– Jason Dugan, CFO, Trudeau Distributing Company

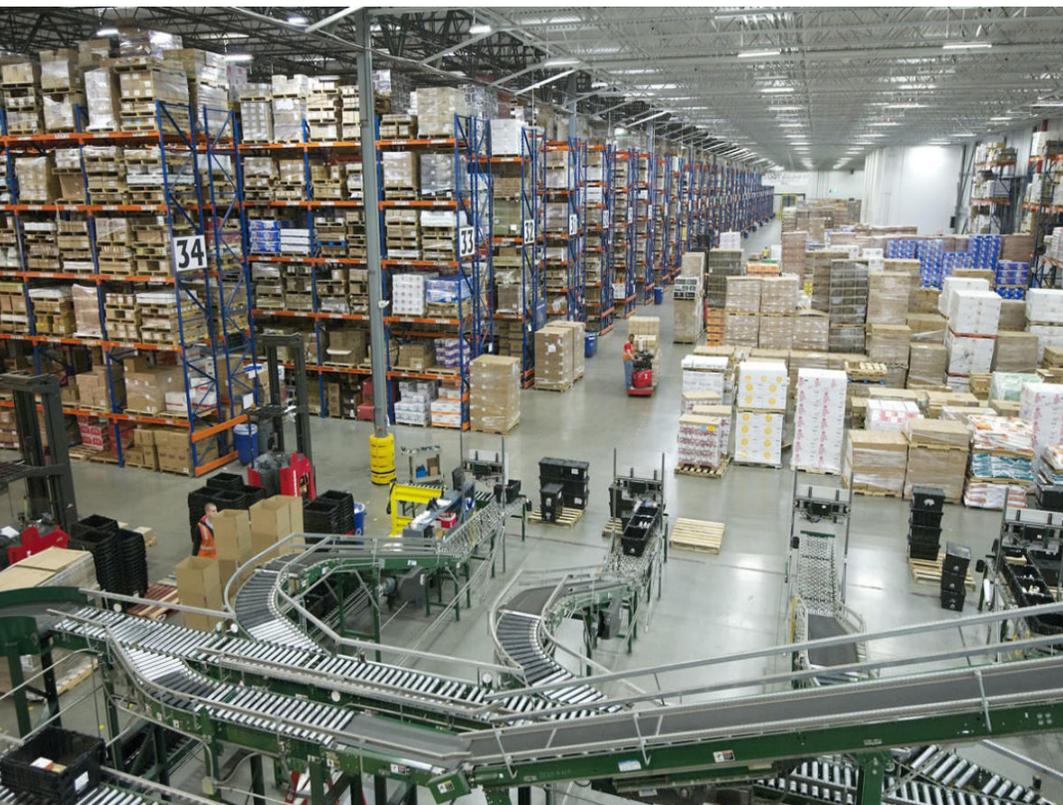
at Trudeau. "For example, we have a sales manager right now that will just do the reports himself. In fact, we no longer need a full-service IT department. That is huge."

Dugan adds, "The software's flexibility and simplicity make every user an expert." These and other efficiencies have enabled Trudeau to manage capital and internal resources more effectively for further expansion. With better and more transparent information, Trudeau can manage that growth intelligently. Dugan explains, "Our company is in the middle of developing a detailed plan for the business. We can now pinpoint where we should, and should not, spend our time. We can then direct our efforts more appropriately, whether it is a customer, an item, or a vendor. SAP Business One has given us the information we need to drive our strategy going forward. It allows us to support intuition with real data."

SAP Business One Brings Simplicity and Flexibility

Trudeau, which distributes goods to retail food stores across a five-state region in the upper Midwest, was having a lot of trouble getting reliable information from its previous system. "We were doing database manipulations all the time," Mitchell says. "Users actually had to work directly with the database, which was very risky. The software was also very unstable and unable to keep pace – it was down more than it was up and running."

Trudeau evaluated a number of offerings before choosing SAP Business One. "I love the flexibility of being able to generate my own reports," Mitchell says. "Reporting is my responsibility, and I saw very clearly that SAP Business One would reduce my workload. The SAP software was more user friendly than other products we considered. I know our end users, and they are not computer geeks."



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I realized they would have a lot more difficulty if we went with any other option.” CFO Dugan concurs: “You could just tell – SAP Business One had a cleaner look than the other solutions. If our users could create their own reports, we knew we would save a lot of money.” The SAP name was also a factor. “We like being able to say we run SAP software – because of the ‘power’ of the brand,” says Dugan.

Industry Extensions Enhance Solution

Once the company had made its decision, Trudeau engaged its users at the early stages of the implementation. “We worked with each department to make sure we understood their business processes,” Mitchell says. “If we needed to customize something, we did it as we went along. However, we discovered that much of the functionality and processes we had customized in the old system was already a part of the standard SAP Business One application.”

It helped that Trudeau’s implementation partner and SAP gold partner, Softengine Inc., offered an industry product to SAP Business One, called Food One. The solution provides industry must-haves like catch weights, which enable companies to track both cases and individual unit weights; flexible route-management tools to adapt truck routes to daily order changes; and order guides, which are automatically generated lists of items that customers have ordered over the past 60 days.

This helps to simplify order taking and enhance cross-selling and up-selling opportunities. “Softengine has been a key contributor to our rollout of SAP Business One,” Dugan says. “The company’s consultants were excellent and

helped ensure that we had a successful implementation. Softengine responded immediately to questions and issues as they occurred, and we experienced no reduction in service levels after going live. We are looking forward to a longterm relationship with Softengine.”

Distributor Looks Ahead

Trudeau next wants to use the warehouse management functionality in SAP Business One and introduce the SAP E-Commerce application to give customers more online opportunities. It’s also using SAP Business One to speed the integration of a new acquisition. “Because SAP Business One is so easy to use and flexible, we can quickly integrate the new company into our SAP environment,” Dugan says. “It’s not a difficult process. This will allow us to benefit from the synergies from the acquisition that much sooner.”

Benefits

- **25% Reduction In Inventory**
- **Increase In Cash Flow And More Working Capital For Growth**
- **Ability To Determine Full Distribution Costs For Each Product**
- **Ability To Run Reports Showing Raw Material Costs**
- **Ability To React More Quickly To Profitability Issues**
- **Ability To Negotiate More Effectively With Vendors And Customers**

