

# CUSTOMER PROFILE

LAWSON AT KEMIN INDUSTRIES INC



## **Kemin Gains Worldwide Efficiencies with Lawson**

The nutritional and health needs of the world are becoming more and more complex, while the challenges of providing safe, nutritious products continue to increase. Kemin Industries Inc (Kemin) is right at the forefront, serving as an ingredient expert in animal feed, dietary supplements and pet foods, while also developing customer-specific nutritional solutions that are used to preserve or enhance existing products. The company's global operations in 60 countries include customers whose products range, from petfood, agrifoods to nutraceuticals. At the top of Kemin's priority list is the compelling need to maintain food safety and an ability to track product lots quickly and accurately.

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## Consolidating Five Systems to One Gives Kemin Competitive Edge

“Lot traceability is extremely important to a business as highly regulated and quality-control focused as ours,” said Dan Heidersheit, the worldwide IT director of Kemin. “If you don’t follow the safety guidelines, you can potentially go out of business.”

In addition to lot traceability, Kemin needs to deliver products to customers on time and keep costs under control. Having immediate access to information and operating efficiently are crucial to running a successful operation.

## Background and Business Challenge

Kemin has grown from a small entrepreneurial effort that started in the early 1960s to a global company, serving a customer base that impacts 80 percent of global food production capabilities. The company potentially touches the lives of half the people in the world through its products and services.

With 1,000 employees worldwide, Kemin is headquartered in Des Moines, Iowa, with manufacturing facilities in China, Singapore, Thailand, India, South Africa, Belgium, Brazil and the United States.

Kemin initially sought an enterprise business solution to consolidate information, enhance collaboration and improve visibility across all of its manufacturing, distribution, customer service, and research and development operations.

“We had been using Lawson products for about seven years in one of our divisions; we liked the products and they worked,” said Heidersheit. “This led us to further expand our offering through Lawson. We made the decision to move everyone throughout our operation in all locations to a single Lawson solution.”

## Implementation

Kemin’s worldwide implementation to one Lawson solution took slightly more than three years. During that time, there were seven separate go-lives across the globe.

The implementation process Kemin followed included active participation with key process owners from each department within the company’s ten business units.

“We gained buy-in from the president, through the executive team, down through all of the IT, finance, purchasing, operations, quality control, customer service and logistics teams from around the world,” said Heidersheit. “In addition, we worked collaboratively with Lawson consulting throughout the installation because the Lawson process matched our needs.”



“Lawson provides us with the integrated, scalable information infrastructure we need to drive efficiencies at both the management and operational levels. With a global system, we can standardize our business processes, procedures and terminology and enable information to flow to the right people at the right time, so they can make timely, informed decisions.”

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Kemin initially spent six months putting the worldwide configuration together; then used a train-the-trainer strategy and varied the process from in-person training, to video conferencing, to online training that tracked learning progress. Once everyone was trained and systems were in place, two system tests were conducted by running orders from the past week. Then the go-live would occur.

What Kemin found was that it typically took nine months for each go-live, followed by a month spent making sure everything was working smoothly. Each implementation brought additional refinements.

“Through each rollout, we were able to do more on our own as we learned more,” said Heidersheit.

Kemin chose to implement a majority of the Lawson M3 products at the same time, while integrating Lawson with existing financial consolidation, customer relationship management, forecasting and label-printing tools that the company already used. Most of these integrations occurred via data transfers through existing middleware.

## The Solution

Since the Lawson implementation, Kemin has consolidated five systems into one. The company has ten manufacturing locations and another ten locations around the globe using Lawson products. Approximately 400 Kemin employees around the world are using the new system, with three full-time and two part-time employees dedicated to system maintenance.

“We have everybody around the world on one system, so we can very quickly pull data together,” said Heidersheit. “We also have continuous lot tracking between business units. From a financial standpoint, we have one system pull for data for worldwide consolidation and we’re cutting down the number of days to close our books. Also, formulas for various products located throughout the world can be used at one location.”

Kemin is also able to respond more quickly to customer requests because of the links created by Lawson between business units. For global customers, Kemin has assigned item numbers and customer numbers to track orders, which enhances customer service responsiveness.

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All of this combined helps Kemin move higher quality products throughout its entire supply chain.

“In our world, we – and all of our competitors – are trying to convince customers that we can add the most value so they in turn can add value to their customers,” said Heidersheit. “Our ability to function efficiently enables us to do just that.”



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## Business Outcomes

Overall, 80 percent of the established goals that Kemin outlined were achieved.

Key goals include:

- Improved lot tracing for recalls: The US Food and Drug Administration require companies such as Kemin to respond to a recall in four hours. Since the Lawson go-live, Kemin can respond in 30 minutes.
- Cutting the month-end close cycle in half: The company has accomplished that goal and is now pushing to reduce the cycle even more.
- Greater efficiencies: The same number of staff is now able to accomplish even more than before the installation.
- Better disaster recovery time: A backup system is in place that will have Kemin up and running within 15 minutes of the original system going down.
- Faster response to special requests: Before the implementation, it would have taken weeks to change an existing invoice. Kemin now can make the change in a week.

“Within a year of the implementation, we have achieved 80 percent of our established goals,” said Heidersheit. “The 20 percent that we did not accomplish we attribute more to process issues rather than system issues.

“Lawson is going in a really good direction with its technology platform. As a result, I think there will be many improvements and benefits for all Lawson customers in the future.”

## About Kemin

Founded in 1961, Kemin Industries Inc. ([www.kemin.com](http://www.kemin.com)) provides health and nutritional solutions to the Agrifoods, Food Ingredients, Pet Food and Human Health and Pharmaceutical Industries. Kemin operates in more than 60 countries with manufacturing facilities in Belgium, Brazil, China, India, Singapore, South Africa, Thailand and the United States.

For more information, go to [www.kemin.com](http://www.kemin.com).