ARCHIE'S
PERFECTING THE RECIPE TO IMPROVE PROFITABILITY AND CONTROL

QUICK FACTS

Industry
Hospitality services – restaurants

Employees
870

Headquarters
Bogotá, Colombia

Web Site
www.archiespizza.com

SAP® Solutions and Services
SAP® Business All-in-One for Consumer Products solution, specialized for food and beverage companies

Implementation Partner
CompuNet S.A.

Archie's Colombia S.A. operates a chain of restaurants featuring Mediterranean and Italian cuisine. Since the opening of its first restaurant in 1993, the chain has grown to include 35 restaurants in Colombia, 2 in Ecuador, and 1 in the United States. To support this growth, Archie's implemented an SAP® Business All-in-One solution and was able to tighten operational control and support its efforts to maintain high levels of quality and service.

Key Challenges
- Increase visibility into the performance of all business operations
- Support operational decisions and efficiency
- Improve the accuracy and accessibility of enterprise-wide transaction data
- Improve inventory visibility and control
- Increase control of production processes
- Decrease operational costs

Why SAP Was Selected
- Availability of industry-specific solution localized for Colombia
- Broad and in-depth solution functionality
- Integration of business processes with support for industry best practices
- Robust analytic reporting functionality
- SAP's strength, experience, and reliability

Implementation Best Practices
- Secured executive-level sponsorship and fostered employee enthusiasm
- Used proven implementation methodology
- Established functional leaders to build expertise and reduce reliance on consultants
- Minimized customization to control project costs and speed implementation
- Employed train-the-trainer approach and allowed ample time for user training

Low Total Cost of Ownership
- Improved IT efficiency by eliminating legacy systems, reducing interfaces, and consolidating databases
- Lowered IT effort and cost by adopting a scalable, high-reliability solution that supports business agility
- Reduced implementation costs by minimizing customization and achieving a quick rollout

Financial and Strategic Benefits
- Better control of food production processes to reduce inventory and raw material cost
- Improved efficiency of supplier management processes
- Greater accuracy in tracking merchandise and transportation costs by restaurant
- Better use of technology to support management decisions and self-sufficiency
- Greater accuracy of financial performance information
- More efficient preparation and distribution of financial statements

Operational Benefits
- Lowered cost of raw materials by 1.5%
- Reduced amount of waste per recipe by 0.2%
- Decreased inventory by 30%
- Gained real-time access to financial performance information
- Reduced time needed to prepare financial statements

"With our SAP Business All-in-One solution we've gained visibility of our complete value chain. We can monitor production and purchasing forecasts to better control performance and maintain a sustainable growth rate."

Diana Restrepo, General Manager, Archie's Colombia S.A.

www.sap.com/contactsap

Satisfying a Hunger for Better Technology

When patrons step into a restaurant owned by Archie's Colombia S.A., they're not thinking about technology; they're thinking about satisfying their hunger. But it is technology, besides mouth-watering Mediterranean and Italian cuisine, that helps Archie's keep its customers satisfied.

Archie's opened its first restaurant in 1993 in Colombia. Since then, the business has expanded into a chain of restaurants, including 35 in Colombia, 2 in Ecuador, and 1 in the United States. With this growth came a need for better visibility and control of operational data and processes. The company had been using disparate software applications that scattered data in five different databases, making it difficult to gather information about operational and financial performance to support strategic decisions.

Seeking an Integrated Software Solution

Archie's management and board of directors wanted to find a tool that allowed them to consolidate the information more easily and tighten control of its operational processes. Archie's considered software from Oracle and IBM but ultimately selected the SAP® Business All-in-One for Consumer Products solution, specialized for food and beverage companies. "The SAP software has broad solution functionality and is widely recognized in the market," says Diana Restrepo, general manager of Archie's. "Plus the software is localized for Colombian laws and for our industry, reducing our need to customize it during implementation."

Maintaining Implementation Momentum

For its implementation partner Archie's selected CompuNet S.A., which followed a modified ASAP methodology. "After consolidating and cleansing material-master data, our managerial team worked with CompuNet to re-engineer fundamental business processes. At the same time, a team of functional leaders worked to refine our operational processes," Restrepo says. The functional leaders used the knowledge gained during the implementation to train the company's business users. This collaborative environment fostered enthusiasm and commitment among team members, enabling Archie's to maintain positive momentum and complete the implementation in five months.

Achieving Tighter Control of Processes

With the help of its SAP Business All-in-One solution, Archie's has gained improved visibility across operations to support strategic decisions and establish greater control. Archie's can now see the performance of each restaurant, can track merchandise and transportation costs by restaurant, and can establish which items within the restaurant are most popular.

"We also use the software to itemize exact measurements of each recipe," Restrepo explains. "Less is thrown away during the cooking process, and we can reduce the inventory we keep on hand." Better insight into demand and supply needs enables Archie's to work more efficiently with suppliers when placing orders for materials.

Centralizing Data to Support Decisions

Archie's SAP Business All-in-One solution has enabled the company to centralize its operational data. The software provides improved reporting functionality, so Archie's management can build and distribute financial statements more efficiently to support decisions. Plus, management now has greater confidence in the accuracy of the data. "Before, materials were duplicated in our different software applications," Restrepo adds. "By rationalizing our data and paring it down to our essential ingredients, we're better able to control cost and ensure the profitability of our products."

With its technology foundation firmly in place, Archie's can focus on doing what it does best – feeding hungry customers – while supporting its business objectives to expand into new markets.

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