

CASE STUDY

F&B Nutrition Sdn Bhd improves productivity and profitability with Infor SyteLine

Since establishing in 1991 in Malaysia, F&B Nutrition Sdn Bhd pivoted its business from a food packaging company into one of the largest OEM manufacturers of sweetened creamer and evaporated creamer in the country.

The company prides itself on products made from top quality raw materials produced under stringent global production standards. The company is accredited by ISO:9001-2001, ISO:22000, HALAL, and VHM—and exports its production from four factories located in Kuala Langat near Port Klang.



Headquarters

Malaysia

Manufacturing location

Kuala Langat, Selangor

Number of plants

4

Industry

Food & Beverage

Infor product

Infor® SyteLine

Website

fnb.com.my

We needed a solution that seamlessly integrates our business and work processes and provides better visibility to costing. Infor SyteLine delivers that for us."

EMMA TAN

Finance Manager, F&B Nutrition Sdn Bhd

A new solution for expansion

In 2004, Malaysia-based F&B Nutrition Sdn Bhd became an OEM producer for major creamer brands globally. In a short span of three years, the company tripled its production to 100 containers and exported to countries like Thailand, Philippines, Indonesia, and others.

Utilizing a local enterprise resource planning (ERP) solution, employees were manually entering information into the system for raw materials ordering, control of inventory, production, and deliveries. This process resulted in delays in information and a lack of accuracy.

Productivity was affected as employees spent many hours entering data and correcting entry mistakes. Information delay also hampered management's decision-making ability, rendering them unable to obtain a clear, up-to-date picture of the business and market conditions. The company needed to upgrade its solution with minimal disruption and, at the same time, ensure that the solution could scale in line with the expansion of the business.

Scalability and complexity

F&B Nutrition was looking for an ERP solution that could help the company cope with the complexities of its business, enhance efficiency, and provide product traceability and quality control. The solution had to integrate all data such as inventory and costing, operations, product mix management, and planning to allow a smooth and seamless work process with efficient collaboration between the various departments in the company.

In addition, management needed accessibility to accurate, real-time, and historical data to analyze market needs and make fast business decisions

F&B Nutrition also needed data visibility on raw material cost and production yield. This would help employees analyze the root cause of a particular batch of product to improve efficiency in its production process. Exporting to the world and managing different currencies and work orders is complicated, so having updated information about its foreign exchange positions is crucial.

Business challenges

- Inefficient inventory management due to lack of real-time data
- Manual work processes resulting in inefficient raw material procurement and business decisions
- Lack of information integration affecting productivity

Implementing SyteLine

Upon evaluating several ERP solutions, F&B Nutrition chose Infor SyteLine as it provided industry-specific software that met the dynamic changing needs of the business. In partnership with Phitomas, Infor's channel partner in Malaysia, SyteLine was implemented on time and within budget, helping the company migrate from its former ERP system and integrate information across its four factories and company operations.

Profitability and productivity gains

With information integrated across the different divisions of the company, F&B Nutrition saw an increase in productivity and profits. Employees could access real-time data from the various components of the business such as costing, inventory, orders, deliveries, and other operations to optimize resources and improve efficiency.

F&B Nutrition also saw improvements in profit margins and their ability to plan ahead due to better visibility of its raw material needs. The company's management could gain market insights into which product mix was growing and make timely and accurate forecasts of market demand.

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Looking forward

F&B Nutrition continues to expand its production capacity and product range. In 2020, its production volume exceeded 1,000 containers per month, and they plan to increase that number next year.

During the COVID-19 pandemic, employees had accessibility to business information while working from home and management was able to evaluate the business situation in real-time and make timely and accurate business decisions.

As the company continues to expand globally, this will provide the business with insights into the market needs of each country or region and will enhance F&B Nutrition's market position.

Business results

- Improved profit margins and production wastage
- Speedy business decision making and accuracy in market forecast due to data visibility
- Closing of accounts reduced from 2 months to 1 month

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