

Smithfield®

Smithfield



Good food. Responsibly.®



SMITHFIELD FOODS, INC.

Jona Smith
Assistant Director, Information Technology
Smithfield Hog Production Division

INTRODUCTION

- Jona Smith – Assistant Director, Information Technology
- Education & Experience
 - BS, Management of Information Systems
 - Protein industry +35 years
 - IT professional +30 years
 - Steady growth
 - Personally – Keypuncher, computer operator, network administrator, application developer, project manager (domestically & internationally), Software Development Manager, IT Manager, etc.
 - Company – From a privately held company with less than 10K sows, currently publicly traded, Fortune 220, worlds largest pork producer with +850K sows

SMITHFIELD FOODS, INC.

Smithfield.

ECKRICH
PORK LOIN

Farmland
PORKER FOR PORK SINCE 1937

ARMOUR

Cook's
Cook's Ham. Always good to the bone.™

John Morrell

Gwaltney

Nathan's
SMOKED HAM

Kretschmar

Margherita

CURLY'S

CARANDO

Healthy One

Smithfield Foods, Inc., a wholly-owned subsidiary of WH Group Limited, is the world's largest pork processor and hog producer, with sales exceeding \$14.4 billion in 2015.

- Company wide

- Employees 48,240
- Brands 13 core brands
- Sales \$14.4 billion
- Customers 3,200

- Divisions

- Packaged Meats
- Fresh Pork
- Hog Production
- International

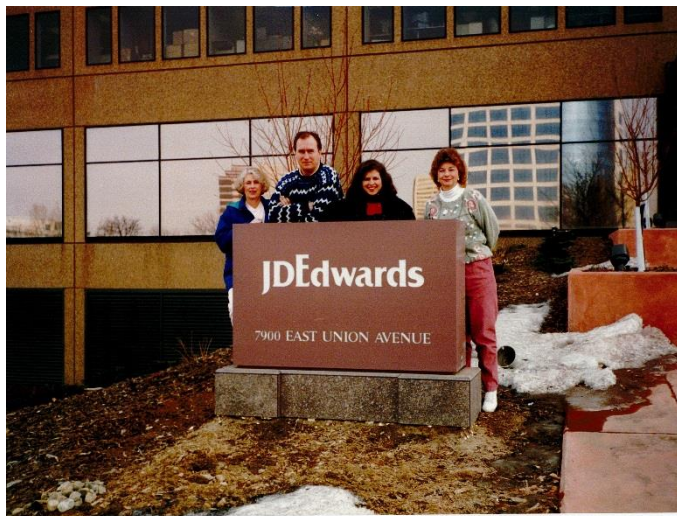
SMITHFIELD HOG PRODUCTION DIVISION

WE ARE FARM-TO-FORK

- International hog production in Poland, Romania & Mexico
- U.S. hog production – 12 states
 - Sales \$3.1 billion
 - Volume 16 million hogs
 - Sows 891,000
 - Assured supply of consistent, high quality and traceable raw material to Pork segment
 - Specialized breeding stock produces leanest hogs commercially available
 - Unique selling proposition for products and brands
 - All Natural
 - Group Housing
 - Ractopamine-free

HOW DID WE GET FROM 1995?

TO OCTOBER 29, 2014



- 50 Users
- 2 Sites supported



- 3,000 Users
- 600 Tablets
- 300 Smartphones
- 700 Sites supported

HOW WE GOT HERE

- Implemented JDE in the mid 90's
- Built a broader enterprise application to track swine inventory
 - Best-in-class system handles all aspects of grow-out including feed, movements, closeouts, grower payments, and sow herd performance
 - Seamless, efficient, scalable, reliable system
 - Implemented across the US and internationally
- With an unclear JDE future - support was dropped

DECISION DRIVERS

- Smithfield strategy / initiative – one SAP system
- No top tier swine tracking system available
 - Our custom system needed significant upgrades
- Losing support
 - Payroll tax changes as of 12/31/14
 - iSeries operating system as of 2016
 - Upgrades for 3rd party bolt-on systems
- Lost ability to attract new talent with outdated tools

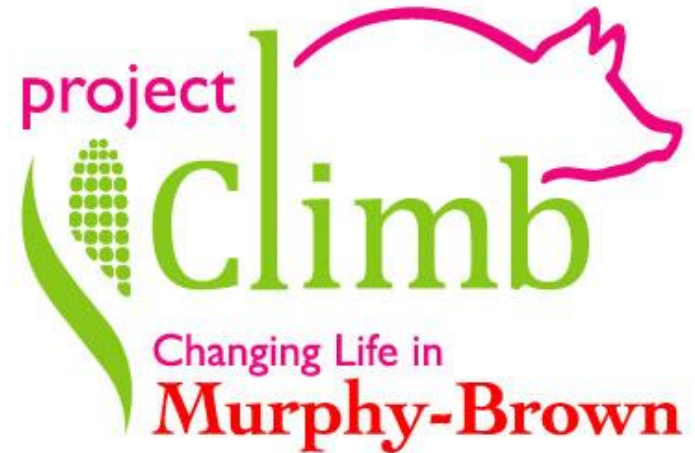
WHAT DID WE DO?

- Looked to JDE / Oracle
 - For an investment similar to 20+ years on World
 - For their new grower management modules
 - For upgrade pathways between World & EnterpriseOne
 - To help us leverage our in-house knowledge
 - For the least risk, less disruptive, most economical solution
- Looked to CSS International
 - To provide implementation expertise
 - To become our JDE EnterpriseOne partner

THE DECISION

WITH FULL EXECUTIVE MANAGEMENT SUPPORT

- EnterpriseOne
- CSS International partnership
- Project CLIMB



TIMELINE

June, 2014	January, 2015	April, 2015	January, 2016	August, 2016 & Beyond
Kickoff	Human Resources Payroll Benefits Administration	Fixed Assets Health & Safety Warehouse Management (DSI)	General Ledger Accounts Payable Accounts Receivable Job Cost Address Book Inventory Procurement Lite Sales Orders Capital Asset Management	Employee Self-Service Manager Self-Service Custom Grower Modules Taleo Etc.

BEST PRACTICES – STRATEGY FOR SUCCESS

- Established/maintained executive support
 - Achieved company-wide engagement
- Marketed the project to our users
 - Dinners, events, t-shirts, on-site visits
- Communicated
 - Conference calls, web-ex, regular updates, email (ideas@murphybrownllc.com) and team meetings
- Involved all levels of staff in definition, design, and implementation
 - Alleviated fear, encouraged excitement

BEST PRACTICES – STRATEGY FOR SUCCESS *(CONT.)*

- Project governance
 - Project co-managers - internal & CSS
 - Executive project team – internal & CSS
 - Teams by module
 - Co-leadership - internal IT resource and business owner
 - CSS business analysts
 - Core team of internal Subject Matter Experts (SME)
 - Enabled focus and accountability
 - SMEs became trainers and 1st level of support

BEST PRACTICES – STRATEGY FOR SUCCESS *(CONT.)*

- Set a project strategy and an achievable project plan
- Dedicated a seasoned team to the project
- Leased off-site space for team headquarters
- Continual data cleansing / archiving
- Extensive definition of current process
- Standardization of current processes
- Creations of teams for new design and requirements

BEST PRACTICES – STRATEGY FOR SUCCESS *(CONT.)*

- Training – dedicated coordinator
 - SMEs from team – trainers
 - SMEs used in testing and setup
 - Very little training for the majority of users
 - Users focused on interface, not function
 - Consistencies between World and EnterpriseOne
 - Web-ex, classroom, one-on-one

HOW DID IT GO?

- User acceptance was better than expected
 - Calmed fears by addressing headcount reduction
 - Smooth transition for all
 - Users concentrated on interface instead of function
 - “War room” disassembled in 2 weeks
 - Huge reduction of reports and queries
 - E1 pages, grids, quick export of data
 - Customized user experience
 - Simple or complex as needed

HOW DID IT GO?

- Ease of use
 - Grids, two clicks data export to Excel, reporting
- Reporting and data flow interruptions – EnterpriseOne, Insight and BI integration delivered easily extracted information
- Improved functionality reduced custom modifications
- Uneventful move to Capital Asset Management (CAM) – eliminated 3rd party work order system
- Implemented roles-based security

LESSONS LEARNED

CHALLENGES

- Modern architecture
 - Security, Configurable Network Computing (CNC) role, transition for development staff
- Heads down data entry slow and cumbersome
- Navigation and grids
 - Users became overwhelmed – Phase 1
- Additional solutions purchased
 - Financial reporting (FASTR vs. Insight), recruiting (Recruitment Management vs. Taleo), warehouse automation (DSI), etc.

BENEFITS

- Positioned the company for the future
- JDE provides low total cost of ownership for integrated system
- Future upgrades possible with fewer customizations
- Enhancements in tracking and traceability
- Provide immediate foundation for mobile technology
 - Mobile applications and toolset
 - Applications are tablet-ready
 - Encourages on-site data collection

THANK YOU

Should you stay or should you go?
EnterpriseOne was the correct decision for us.