



Summertime Potato Company

Quality and service first

Industry

Potato packaging company

Challenge

High demand and growth called for an inventory management solution to replace pen, paper & spreadsheets

Solution

Acctivate in the cloud

Results

All encompassing knowledge of inventory, sales & purchasing to improve overall operations

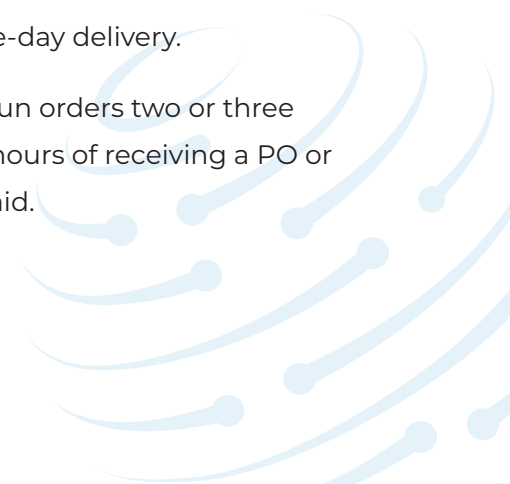
Summertime Potato Company, a potato packaging company, and central Iowa's only potato processing plant, has been the face of true quality and service since 1974. Stemming from an established company, Summertime Potato Company cultivates all their customer relationships, including some that are 60 years old. With an emphasis on product excellence and a close rapport with customers, they are at the forefront of their industry.

"We grade all of our products twice. All the potatoes that go over our grading table are graded by people to make sure that they pass our inspection and our quality before we put them in a bag.

Grading twice is not typical. A lot of larger growers, packers, and shippers just grow, wash, grade, and then pack. It gives us a leg up to regrade," Summertime Potato Company owner, Ron Petersen said.

Providing the best product continues as Summertime Potato Company ensures freshness with same-day delivery.

"We pack to order, meaning we don't run orders two or three days in advance. It's packed within 24 hours of receiving a PO or an order from a customer," Petersen said.



Challenge

An unclear view of inventory costs & profits

Prior to implementing Acctivate, DeFazio transferred the company's inventory records from pen and paper to spreadsheets. Spreadsheets gave a better view into inventory on hand, inventory costs and more, but still proved time-consuming, susceptible to errors and did not provide a complete picture.

"I transferred everything to spreadsheets to extend all the numbers out, and that's where we got our actual inventory on hand number. Then, that number was inputted into our accounting software," DeFazio said.

Along with the manual methods of recording inventory data was the process of manually counting inventory and keeping track of product component costs, like potato bags.

"We had to take an actual physical inventory. We have hundreds of thousands of plastic bags that our potatoes go into, so besides counting the actual product, we had to one by one count all the bags. We would then go back to our files and pull the last purchase invoice to find the assigned prices."

"The biggest problem with that is we never knew where our profits were until the end of the month when we actually did the inventory count; not to mention the inaccuracies of a person counting something, and the mistakes that can happen."

Solution

Total visibility to know true costs with Acctivate kitting and landed cost

Susan defined Summertime Potato Company's move from their previous process to Acctivate as being incomparable when taking in consideration just the significant time savings gained with better inventory visibility.

"Just in counting inventory alone, I'd say with Acctivate we save anywhere from 10 to 12 hours a month. For calculating inventory at the end of the month, with Acctivate we now know what it is hour by hour."

Kitting

Acctivate's kitting feature solves their challenge of tracking costs associated with the end-product (e.g. whole bag of potatoes) and each component (e.g. the potato bag) without having to search through paper files. Plus, kitting meets their business model of same-day delivery since kit products are designed for being made on demand.

"When we have hundreds of thousands of bags, Acctivate applies the right cost. If we have the same bag, but two lots or two different POs at a different price, Acctivate gives us the ability to make sure we have the correct costing for the bag per order."

"Being in produce, prices are pretty much set by the market, so we're more focused on the cost savings and Acctivate has allowed us to know exactly what our costs are. Being able to put in the component portion, assign a labor factor, and assign a delivery amount in Acctivate has been tremendous,"



Landed Cost

Acctivate's landed cost feature ensures that Summertime Potato knows every added cost associated with the acquisition of their products.

"What sold us on Acctivate was landed cost. I don't recall finding another inventory package that had the same landed cost functionality. We use landed cost for all kinds of things. Besides a true delivery landed cost, we use it for adjustments, quality issues, and more."

"Acctivate's landed cost puts the accurate cost towards the product, whereas before we couldn't do that. We'd plug numbers in and paid bills for 30 days throughout the month, as we never knew where we were until the end of the month."

Lot Traceability

Knowing true costs was a tremendous step forward for Summertime Potato. Now with Acctivate delivering automation in a centralized solution, Summertime Potato has gained even more in the way of operations that were not fully possible or easy in a manual environment including lot traceability.

"The lot tracking in Acctivate is keeping our doors open. Being prepared for a potential recall is essential. With Acctivate we have the support and the software to make it easier because time is going to be of the essence in that situation. Acctivate is a great security for us. Overall, as an owner, I know that I have the security and protection that I can punch something in and find it."

Acctivate's lot traceability enables Summertime Potato to track and trace multiple lot-numbered products from the grower to the end customer and have all the traceability data accessible on-demand.

As the lot traceability feature meets their needs as a requirement for a company in the food industry to adhere to agency regulations, Summertime Potato also addresses specific industry and business needs with Acctivate's reporting.

"It's essential in that our customers require certain information on the picking ticket. The ability to customize reports has allowed us to use Acctivate for our needs, but also meet our customers' needs."

"Acctivate is a godsend in that it allows us to see a minute-by-minute of where we're exactly at inventory-wise and provides reports as far as what outstanding POs and sales orders we have. All that, not only helps keep track of things, but helps communication throughout the company with every employee to know what's going on for the week and what we have."

**Ron Petersen, Owner
Summertime Potato Company**

The Results

All encompassing knowledge of inventory, sales & purchasing to improve overall operations

The up-to-date, real-time visibility Summertime Potato now has with Acctivate ensures that they know exacts concerning their business, including inventory availability and costing. With such accurate insights into their business, Summertime Potato can make better decisions and truly know where their profits are coming from at any time.