

Client

Red Hen Baking Company, artisan bakers in Vermont, USA.

Business problem

Improving efficiency of their operation, particularly in reducing product returns.

Solution

Backing time-honored production methods with cutting edge software.

Results

Significant sales increase, profit margins doubled.



GlobalBake - the Golden Egg for Red Hen

Reduced waste and improved sales sees investment recouped in less than six months.

BREAD ARTISTS

Based in rural Vermont, Red Hen Baking Company have carved a strong regional reputation for their artisan bread since 1999. A wholesale operation, Red Hen supplies a network of supermarkets and restaurants.

Red Hen's focus is simply making great bread and being appreciated by the community for doing so, says co-founder Randy George. As their website says, "We take pride in working with the basics of bread baking - natural grains and slow fermentation techniques. Red Hen breads are hand shaped and baked in a steam injected hearth oven, creating a dark, crispy crust - the signature of carefully crafted artisan bread."

They have turned this love of bread making into a significant business, with 15 full time staff crafting up to 2000 loaves and 2000 rolls each day. Red Hen's plant operates between 18-24 hours seven days a week.



their business. "Efficiency is a big challenge in our business," says Randy George, "unlike industrial baking factories for us it is not just turning on the machines and watching the bread come out."

Red Hen's approach is labor intensive, making attracting and retaining good people crucial to the company. But the people have to be backed by systems that help them work effectively as possible, says Randy.

"Time is of essence in our business, bread needs to be ready each morning as the delivery vans leave at 6am."

Production cycles are up to 18 hours because of the long fermentation process, making quality control more difficult and production scheduling crucial. "Each day here is a distinct unit,

we have a different order of production every day, and the combination is never exactly the same," says Randy, who is constantly refining the company's operations.

Matching production to demand has traditionally been Red Hen's major challenge. "Returns were the beast nobody could get their head around," says Randy. They did forecasting largely manually and could never get it within the 10% rate they targeted.

MATCHING PASSION WITH EFFICIENCY

Regardless of their passion for bread making and commitment to the integrity of their products, Red Hen still retains a strong focus on the efficiency of



Randy George, President and Co-Owner, Red Hen Bakery:

"What surprised me was that not only did our returns go down, reducing our waste, sales also went up as we better met demand."

Red Hen finished 2006 with sales up 24%, 10-15% of which Randy attributes to the seven months they were running GlobalBake.



ABOUT GLOBALBAKE

GlobalBake is software purpose-built to give food service businesses a clear view of the key production, sales and financial information they need to control their business. Our clients use GlobalBake to achieve efficiencies in their operations in areas like plant utilization, order processing and stock control.

Organizations throughout the United States, Australia and New Zealand use GlobalBake, which is acknowledged for its excellent support and competitive pricing.



SSI Limited
P.O Box 19532
Christchurch,
New Zealand 8241
Tel: +64 03 982 1900
Email info@globalbake.com
www.globalbake.com

CHOOSING GLOBALBAKE

Better management of returns was the initial motivating factor for Red Hen to look for a new system. Part of the close knit artisan baking community, Randy started asking around colleagues about computer systems that could help. He found a recommendation for GlobalBake on a Bread Bakers Guild of America email list and decided to find out more.

After assessing other bakery management products, he decided GlobalBake was the only one comprehensive enough to meet Red Hen's needs. In June 2006 the company implemented GlobalBake's sales history and forecasting module.

A REVELATION FOR RED HEN

The results were almost immediate, and impressive. Randy says the company's accountant reviewed the books later in 2006 and wondered at the remarkable improvement in performance from June.

GlobalBake's sales history and forecasting was a revelation to Red Hen. "What surprised me was that not only did our returns go down, reducing our waste, sales also went up as we better met demand."

Red Hen experienced a rapid and significant reduction in their level of returns from customers, bringing this rate as a percentage of sales below their 10% target for the first time. That helped bolster a profit margin in an industry of slim surpluses from 2% in 2005 to over 5% in 2006.

Sales figures also jumped as the company could better match supply to demand with GlobalBake. Randy says it was difficult at first because intuitively they didn't believe the software's prediction of what needed to be produced. But they quickly learned GlobalBake was very accurate.

Red Hen finished 2006 with sales up 24%, 10-15% of which Randy attributes to the seven months they were running GlobalBake. "Because GlobalBake uses sales history it will also continue to improve over time, as more history is available, which is exciting for us." The initial investment in GlobalBake was paid off in less than six months. "It goes without saying that I would recommend a similar upgrade to any other bakery that does business as we do," says Randy.

Red Hen is now rolling out other modules of GlobalBake, moving production management and scheduling over to the system. "We were managing production with other tools, mapping it out for each 7 day unit. It worked fine and had been refined a lot over the years but it was a gargantuan task to change when we needed to alter the production schedule. GlobalBake has made it a lot easier."

Overall, Randy says GlobalBake has made a significant contribution to Red Hen's business. They have effectively been able to automate tasks like sales forecasting and production management with GlobalBake, allowing them time to focus on what they do best - making outstanding and distinctive bread.

Contact GlobalBake today to discuss your requirements and schedule a demonstration of our software.

www.globalbake.com
email: info@globalbake.com

