



The Supply Chain Results Company™

Integrating the Supply Chain Process at Dole Asia

Its highly manual, inefficient, and fragmented supply chain operations led Dole Asia to execute a value chain initiative using i2 solutions. The implementation has led to improved decision-making, better customer service, and more accurate, real-time planning.

For more than 100 years, Dole has built a reputation based on its quality products and its commitment to meeting its customers' needs. To enhance its position as the international market leader, Dole Asia faced a two-fold challenge. Executives recognized the need to integrate and streamline their fragmented supply chain processes while also reducing inventories.

At the same time, Dole Asia was executing its value chain functions manually without continuity.

"We had a very disjointed organization," said Felipe Dabdoub, Dole Asia's Senior Vice President for Manufacturing and Logistics. "We had sales organizations in the markets. We had the production division, where they do their own thing, and we have a central logistics team trying to piece it all together. But it was very inefficient and highly manual. So we wanted to integrate the whole process on a real-time basis."

As an agricultural-based business, Dole Asia recognized the need to get a precise forecast of needed product to avoid inventory obsolescence. At the same time, the company wanted to reduce inventory levels to better manage its assets.



Challenges

- Better manage assets by reducing inventory levels
- Automate inefficient manual supply chain operations
- Avoid inventory obsolescence through more precise forecasting

Solutions

- Streamline supply chain processes
- Monitor supply in real time
- Match resources with demand

Results

- Optimized supply chain administration saved \$300,000 to \$400,000 by delaying factory opening
- Increased visibility for long-term planning
- Improved customer service

Company Description

Dole Asia is a division of Dole Food Company, Inc., the largest producer and marketer of fresh fruit and vegetables in the world, with more than \$4.7 billion in annual revenue. Dole Asia sources fruits and vegetables from all over the world then transports and distributes them to markets principally in Asia, Australia, and the Middle East.

“Sometimes we have over 3,000 SKUs that we have to ship across 10 different warehouses across the world. i2 allows us to look at these warehouses on a real-time basis and determine which products we need to pack going forward.”

*—Felipe Dabdoub
Senior Vice President for Manufacturing and Logistics
Dole Asia*



Why i2?

Dole Asia found that i2 was the only company that could provide the kind of value chain support that the fruit and vegetable grower needed in the region.

“We chose i2 because we did research in the supply chain, and we found that i2 was the best of class in its area,” Dabdoub said. “i2 has worked very closely with us trying to develop a type of software that we needed to run our particular type of business, which is slightly different than what you would expect in the U.S. So for us, getting that help and working together was very important.”

i2 solutions enable consumer goods companies to simultaneously optimize and monitor inventory; reduce costs and risks through integrated sourcing, negotiation, and procurement; and improve customer service levels and reduce fulfillment costs through multi-division and multi-channel order management.

Additionally, consumer goods companies use i2 solutions to minimize transportation costs and increase service levels through integrated transportation procurement, planning, execution, and monitoring.

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i2’s Contribution

In order to make more efficient use of its assets, Dole Asia implemented i2 Demand Planner,[™] i2 Factory Planner,[™] and i2 Supply Chain Planner,[™] parts of i2 Supply Chain Management[™] (SCM).

Prior to its i2 solution implementation, Dole Asia executed all of its supply chain functions manually, extracting data out of its enterprise resource planning (ERP) system without continuity among markets, logistics, and production. With i2 solutions in place, Dole Asia now schedules its factories through weekly plans generated by Supply Chain Planner, which are then fed into Factory Planner for execution.

Dole Asia’s Results

Although i2 solutions have not been in place at Dole Asia for long, they have already added considerable intelligence to aid in the company’s decision-making processes.

“We have been getting value by making the right decisions,” Dabdoub said. “Recently, we were going to open one of our canneries in Thailand early just to make sure we met the demands of the market. In reality we did not need to. So we delayed the opening of our factories for a month, and we probably got \$300,000 to \$400,000 out of that.”

That kind of intelligent decision-making enabled by i2 solutions is allowing Dole Asia to better plan and position its value chain resources, ensuring that customers receive the product when they need it.

“We can also plan to produce the products that we need,” Dabdoub said. “If we know there is going to be a drought, there is going to be shortage of product going forward. So we pack those products in anticipation of what we see coming forward and, in that way, we protect our best customers.”

Dole Asia realizes the impact that i2 solutions have had on delivering the right product, at the right time, to the right customer.

"It translates to adding value to our customers, to our very loyal customer base," Dabdoub said, "because our main concern at Dole is to better serve our customers. If we can better serve our customers, I think that automatically will translate into better returns for Dole over the long term. If you do the right things right, we will end up with a healthier income statement at the end of the year to maximize a return for our shareholders."

i2 solutions are also allowing Dole to overcome challenges that are unique to an agricultural-based business.

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