How to Solve Food Manufacturers' Top Three Concerns

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Salmonella in your peanut butter? A salmonella outbreak [1] with Sunland Inc.'s peanut butter caused the FDA to shut down one of its processing plants. Fortunately, Sunland was able to submit a plan to recall the contaminated products. But the company wasn't allowed to resume operations until the FDA certified that the company had safe food manufacturing practices.

This is a food processor's biggest nightmare and is considered the top concern by most producers. With industry uncertainty looming in 2013, cost control and labor issues fall just behind food safety as top manufacturing concerns. So how do you ease the worry over these issues? Ever thought about software as a solution?

With so many factors and moving parts to keep track of, manufacturers rely on technology to organize their operations. Sunland wouldn't have been able to submit a recall response if it wasn't able to track the contaminated products and ingredients used. Let's take a look at how software can help solve the issues listed above. You may be surprised to find all the tools at your disposal.

Food Safety

The importance of meeting food safety requirements is an obvious priority, as any food processor wants to preserve its reputation for quality, and avoid recalls or the risk of being shut down. There are two main ways that using food safety

management software can help maintain high food safety standards:

1. Meeting requirements. Traceability requirements, such as the hazard analysis and critical control point (HACCP) and produce traceability initiative (PTI) programs, must be met by food processors. Using software makes it easier to automatically track products and keep up with inventory levels and comply with legal standards and other parameters.
2. Streamlining food processing. Fresh-cut processors and retail foodservice organizations require software tools that can seamlessly manage, automate and optimize their distribution operations. Software can streamline the end-to-end distribution supply chain, from order management and pick/pack/ship to dispatching, dock door scheduling and direct store delivery.

ETQ [2] has developed software for these exact purposes. Its software is FDA compliant, and meets HACCP and PTI requirements.

Cost Control

The function of cost control is twofold. On the one hand, it has to detect cost values and sources of these costs. On the other hand, it must be possible to compare cost estimates with the actual costs. In this way, cost models can be improved.

Software enables manufacturers to implement lean manufacturing, production control and improved flow practices. Lean operations provide a high level of cost control in manufacturing by eliminating less productive activities and allowing employees to focus on producing quality products in a timely manner.

Here's a case study showing how a food manufacturer in Utah uses inventory software:

Nutty Guys decided to automate its inventory management by using Fishbowl Inventory [3] software, barcode scanners, lot numbers and other tools. Pretty soon they were able to organize all of their products and have orders sailing smoothly to customers. Its secret to success lies in its focus on four important areas:

1. Frugality. To keep costs down, Nutty Guys prints only black-and-white product labels, and minimizes the number of idle products in its warehouse.
2. Totaling costs. By measuring all the costs of labor, ingredients and equipment that go into finished products, it can set appropriate prices for its customers.
3. Inventory tracking. It now has the ability to monitor products from manufacture to sale, and orders from receipt to delivery.
4. Lean stock levels. Nutty Guys doesn't keep large amounts of stock on hand. It stores only a few bags of products on its shelves; the company has a quick restocking turnaround time, allowing it to have fresher products in stores. Employees are literally coating almonds with chocolate one day and sending them to stores the next.

Labor

Inventory control software [4] helps manufacturers cut labor costs by:

1. Reducing the number of employees required to perform tasks.
2. Lowering the risk of human error when entering data into databases.
3. Instantly sharing inventory information with appropriate employees.
4. Automating labor-intensive activities.

Technology is helpful in many ways, not the least of which is relieving stress. It allows your manufacturing plant and warehouse to work smarter and run more efficiently. As food safety, cost control and labor are the major pain points of the industry, it's worth taking a look at the tools that can solve these issues — and see if they're worth investing in.

What's your take? Please feel free to comment below! For more information, please visit www.fishbowlinventory.com/inventory-management *[3].*

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