

# Binggrae Streamlines Business Processes, Improves Performance



Binggrae  
Seoul, South Korea  
www.bing.co.kr

## Industry:

Consumer Products

## Annual Revenue:

US\$538 million

## Employees:

1,700

## Oracle Products & Services:

Oracle Financials  
Oracle Financial and Sales Analyzer  
Oracle Purchasing  
Oracle Purchasing Intelligence  
Oracle Inventory  
Oracle Order Management  
Oracle Advanced Pricing  
Oracle Supply Chain Planning  
Oracle Discrete Manufacturing  
Oracle Manufacturing Scheduling  
Oracle Workflow  
Oracle Human Resources  
Oracle Self-Service HR  
Oracle Advanced Benefits  
Oracle Learning Management  
Oracle Payroll  
Oracle HR Intelligence

*“Binggrae deployed a comprehensive enterprise resource planning system with Oracle E-Business Suite that enabled management to make fast, real-time decisions. We are now a more efficient organization, which has helped improve our business performance.” – Sang-Min Youn, Senior Director of Sales, Binggrae*

Seoul-based Binggrae is one of the leading food manufacturers in Korea. It produces dairy products such as milk, yoghurt, and ice cream, as well as noodles, snacks, baked goods, and confectionary.

In 1994, Binggrae realized a strong IT infrastructure would help it establish more efficient and productive management processes. The company implemented a manufacturing resource planning (MRP) system but found it did not meet the company’s expectations. The system was producing poor inventory data, inaccurate costing information, and conflicting figures between inventory and accounting. Binggrae decided to replace the manufacturing system and search for an enterprise resource planning (ERP) platform that would support continued growth and process innovation.

In early 2000, Binggrae implemented Oracle E-Business Suite applications to provide the flexibility, integrity, and scalability it required. Today, Binggrae is live on Oracle E-Business Suite 11i, using the order management, purchasing, manufacturing, planning, financials, costing, and human resource management modules to run its business..”

## Real-Time Business Intelligence Leads to Increased Revenue

In the past, it was difficult for Binggrae to keep track of sales performance because sales representatives and their channels kept individual records, which were not accessible to senior managers for analysis. Now, all information related to sales is entered into a central database at Binggrae’s head office, enabling quicker responses to fluctuations in sales data.

**Key Benefits:**

- Streamlined business processes
- Improved communication between 40 business channels through online integration of sales orders
- Improved strategic decision-making through consolidated data on an online portal
- Shortened evaluation periods in human resources and increased management efficiency

The company can compare and analyze distribution revenue and market research information to help sales representatives improve their performance. For example, Binggrae discovered that an increase in revenue occurred when a display stand was moved from a central to a side zone.

**Optimizing Efficiency**

The new system handles up to 25,000 sales orders from 40 different sources that simultaneously enter sales orders through a centralized ordering system, during a three to four hour period each day.

Binggrae's complex product pricing is easily tracked with Oracle Pricing. Oracle Financial Analyzer and Business Intelligence modules were integrated with the ERP system to provide transparent and quality information to management through the company's online portal.

In addition, Binggrae eliminated redundant processes and redistributed excess resources to more profitable pursuits. For example, many operators were previously needed to gather and manually enter sales records. Now, sales representatives process these records at the point of origin, leaving staff free to focus on higher value tasks such as data analysis.

**Reporting Time Cut By Two Weeks**

Month-end reports that previously took 15 days can now be completed in one day by standard costing and five days by post-costing. This enables Binggrae to hold conference meetings at the beginning of the month to address any business issues.

**More Effective HR Management**

After these successes in the finance and manufacturing departments, Binggrae extended the ERP system to the human resources division. Oracle Human Resources helped the company shorten the staff evaluation period and achieve better HR management practices.

**Future Plans**

In the next few years, Binggrae plans to extend the ERP system to channel partners and external sales agents. This will further integrate data, improving the potential for collaboration and value-added initiatives. The company also plans to invest in a data warehouse and SEM (Strategic Enterprise Management) project.

### Why Oracle?

Binggrae chose Oracle for its innovative products, strong consulting services, and reliable customer support. “Oracle was an established global company that provided comprehensive solutions,” said Sang-Min Youn, senior director of sales, Binggrae. “We believed the company could supply quality products and dedicated consulting to ensure a customized, trouble-free integration.

”Prior to implementation, Binggrae defined key performance indicators (KPIs) that needed to be met if the company was to achieve its strategic objectives. These KPIs would be monitored through a performance management system.

To ensure the ERP implementation was successful, Binggrae directed its project innovation team to report directly to the CEO. This drew attention from senior management and provided the innovation team with much needed support.

The implementation, covering several different production lines (ice cream, dairy drinks, and ramen snacks) and diverse business channels (branch, agency, retail stores, and distribution centers), was completed in five months.