

CUSTOMER PROFILE

FOOD & BEVERAGE

LAWSON AT LANTMÄNNEN



Farming Group Saves Millions with Lawson Tool

Lantmännen (The Swedish Farmers Supply and Crop Marketing Association) implemented the top-of-the-line planning tool Lawson M3 Supply Chain Planner (SCP) in late 2004. Since then, the association's workflow has improved significantly and a substantial amount of money has been saved.

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Oscar Jensen, Logistics Project Manager, Lantmännen



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Lantmännen Seed, part of the leading Swedish farming group Lantmännen, reached a dead end at the beginning of 2004. It could no longer ignore the bottlenecks in its supply chain caused by uneven demand, weak product availability, overstocked warehouses and an inability to coordinate planning between units. Lantmännen Seed turned to Lawson for a solution to its problems.

Oscar Jensen, logistics project manager at Lantmännen, says, “Lawson was the obvious choice, because we were already a customer: [Lantmännen implemented Lawson Solutions in 1998.] We told Lawson we needed a planning system that could handle the flow of seed. We had an overcapacity in terms of logistics, warehousing, transportation and production that was harmful to our business financially.”

Lawson introduced its Supply Chain Planner (SCP) planning tool to Lantmännen Seed in August last year to help the company develop its master production plan and improve forward planning. SCP optimizes the entire supply chain, from customer demand and production through to delivery.

Lantmännen Seed handles an entire supply chain, from cleansing raw seed to packaging and distribution. The company has 170 articles, including different packaging sizes, and on average delivers about 4,000 tons of seed a week in season and a total of 65,000 tons during the spring season. The demand for seed is far from constant, however, and this makes it difficult to plan production. In order for delivery to be in sync with production, production must be in tune with demand.

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Since the go-live in October 2004, Lantmännen Seed has put its entire value chain under one umbrella.

“We have lowered our production and logistics capacity and still handle the same volumes, despite closing down plants last year to centralize our operations and save money. SCP made this possible. All together, we’ve saved more than EUR 2.6 million,” Jensen says.

All plants went live simultaneously with SCP in the autumn of 2004, excluding the island of Gotland. The project involved the four seed cleansing units on the Swedish mainland, two central warehouses and transportation planning units.

Implementing SCP was a quick affair: With only a few weeks’ delay and under the projected budget, Lantmännen was up and running two months after the project began. Because the users were directly involved in the project, they did not need any additional training to start using the system.

Lantmännen has only one super user plus two people as backups. Since everything is now managed centrally, there is no need for more people.

SCP super user Göran Wisselgren says, “I find Supply Chain Planner to be very user friendly. The system helps in making production and delivery plans based on customer demand, and I send them out weekly to every unit during season [spring and fall]. At first, we met resistance from the people who had earlier done their own planning, but soon they realized a time-consuming task had been taken from them and that its processes were maximized.”

During the smooth implementation project, Jensen and his group learned an important lesson.

“We didn’t handle the communication within our company very well since we treated it as an IT project. It’s about building bridges between departments, but we didn’t see that then. Next time we’ll know that it’s important to communicate with the marketing department, for instance,” Jensen says.



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Lantmännen is so pleased with SCP that it is already planning a new project to implement the Lawson solution at its manure operations. The goal still stands: to maintain the same capacity despite cuts in resources and to always stock the right products.

“SCP is an important tool and an important prerequisite for success. We’re working with the future planning system, today,” Jensen concludes.

About Lantmännen

The Swedish Farmers Supply and Crop Marketing Association is one of the largest farming and food industry groups in Europe. The group is owned and governed by approximately 52,000 Swedish farmers and has an annual turnover of EUR 3.1 billion. It has approximately 13,000 employees in 16 countries, with the main part working in Sweden.

Lantmännen has a 60 percent market share of seeds in Sweden. Twenty percent belong to smaller companies and the rest are self-sufficient. Lantmännen rarely imports seeds, but exports occasionally to Norway, Island and Denmark.

About Supply Chain Planner

Supply Chain Planner optimizes the flow of material in the extended supply chain and is a powerful decision support tool for supply chain planning on the tactical and strategic levels. The result of using SCP is a financially optimized master demand and delivery schedule.

SCP consists of an advanced optimizer that calculates ideal material flow and interactive decision support functionality with easy-to-use graphic displays, including a score-board, load profiles and geographical mapping. SCP enables you to quickly drill down and locate key details, make decisions and run what-if scenarios.

SCP improves your collaboration with partners in the supply chain, increases partner loyalty and reduces capital tied up in inventories. It also helps you make the necessary decisions on time and improves your bottom line, as well as the bottom lines of your suppliers and customers.

Find out more on www.lawson.com under Products > Supply Chain Management > Supply Chain Planning.

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Göran Wisselgren, SCP Super User, Lantmännen Seed