

RHG re-evaluates with Prophet

Key Features

- Sales order management
- Grower distribution management
- Integrated warehouse management
- Integrated packhouse management
- Integrated packhouse traceability
- Automated packhouse scanning
- Powerful grower lot accounting
- Account sale deals
- Powerful grower commission\charge recoveries
- Grower return by original product units after packing
- Powerful customer\product\grower profitability statistics
- Third party packer self-billing

Key Benefits

- Faster/cheaper product distribution
- Higher volumes at higher prices
- Lower operating overheads
- More competitive sales prices
- Higher grower returns
- Trust in transparent returns

Technology

- Prophet Pr2 Client Applications
- Prophet Pr2 Hand Held Applications
- XML Electronic Data Interchange
- Crystal Reports
- Microsoft SQL Server
- Windows Server Family



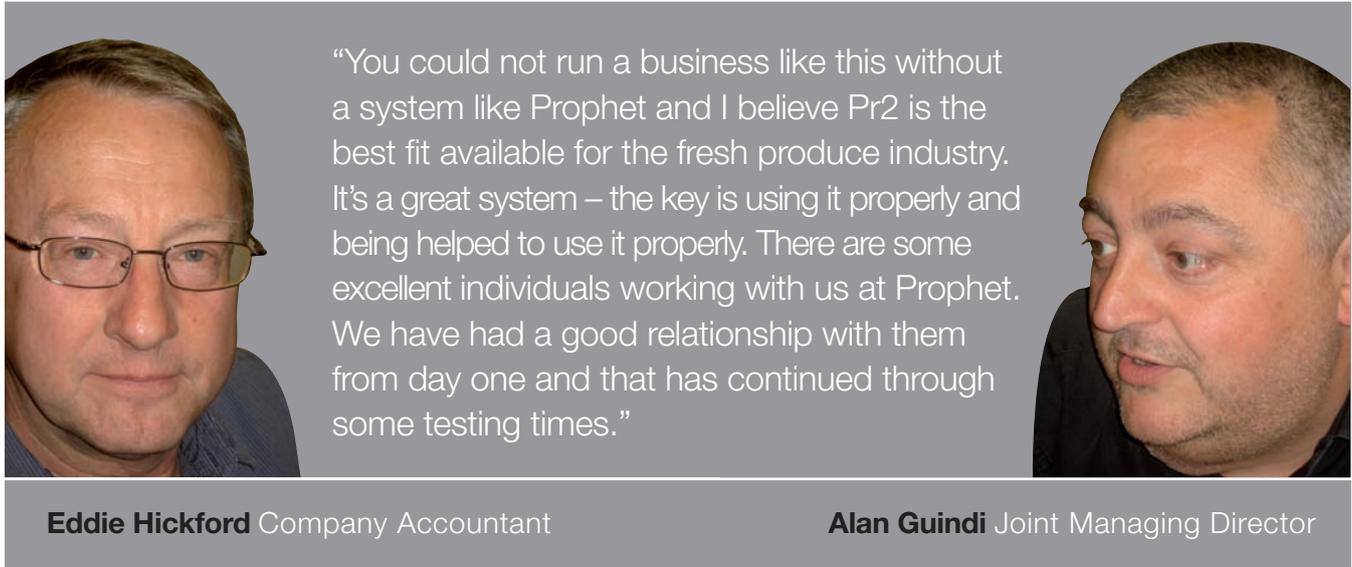
Richard Hochfeld Ltd is one of the UK's leading importers and distributors of fresh produce. It has been proactive in recent years in re-evaluating its business model and adapting to the changing needs and demands of the UK market. Since implementing Prophet in 2008, the company has evolved from servicing a single UK customer with grapes, apples and stone fruit, by securing contracts to import fruit for a wider retail customer base and creating a position for itself as a service provider for major producers around the world.

The company had been in discussions with Prophet for a couple of years before it made the decision to move to Pr2, principally because its existing software supplier had curtailed system updates and reduced support to a minimum.

RHG's joint managing director Alan Guindi says: "They advised us to start looking around for a new system and because we had seen Mick Hetherington's presentation and knew what Prophet could do for us, we already knew who we would be working with if or when that eventuality arose. Mick did an excellent sales job and we thought it was the best all-round system that existed for the produce industry, incorporating quality control, warehouse, sales and accounts. The Prophet software was obviously really clever, it was Windows based and looked to be a very sensible option for our business."

At the time, RHG was using a third party to manage the packing of some of its fruit for the firm's UK retail customer. Additionally, it had its own self-managed packing facility at its Orchard Place head office, near Borough Green, also in Kent. "We first implemented Prophet's software at Orchard Place and our Faversham site was connected by a remote server to the system. Because Prime Produce was packing our fruit, they bought Prophet too," says Guindi.

He says that RHG spent a long time over the implementation period and stalled more than once, mainly because the company wanted to ensure that it would be 100% ready to take on board the inevitable changes when the switch came. "There was undoubtedly some internal resistance to the change," he admits. "Eventually, we recognized that we had to stop putting obstacles in our way and make the jump, whether we were entirely ready or not. With hindsight, it could be argued that we went too soon, but in reality, I think it was the only way we could do it. There were teething problems, as expected, but the longer we had waited and the more we discussed it, the harder it would have become."



Over time, the various departments at RHG have worked closely with Prophet’s team to make the adjustments to the system it felt were necessary to suit the way the business model worked and what it wanted to glean from the system. It has proved to be a good way to evolve, as the business has changed dramatically in a relatively short space of time. “When Pr2 was originally installed, we were a single-customer, consignment-driven importer, which is very different to the structure we have today,” says the company’s accountant Eddie Hickford.

Assisting structural change

In the last couple of years, RHG has made some fundamental changes to its coldstore and packing arrangements, adding a third to its storage capacity and 50% to the size of its packing facility at Orchard Place. RHG now packs all of its fruit through facilities at headquarters. “Like everyone, we have restructured the way we do things - primarily to reduce overheads and make our operation more cost-efficient,” says Guindi.

“We were previously working on two systems that were not connected, now we have all of our grapes and most of our apples being managed by one system and we are working towards having the same solution for the rest of our apple business in the next few months.

“The packhouse changes we have made have been completely driven by the fact we have an integrated system like Prophet,” Guindi says. “Everything was done manually beforehand; the packhouse manager would oversee the unloading of lorries and keep an Excel spreadsheet. He would keep a separate sheet to track the locations of goods in the packhouse and then another spreadsheet would be compiled to record everything that left the packhouse too.

“Now everything is barcoded, scanned into the packhouse and tracked to its location, then followed throughout its journey around the packhouse until it leaves. The way the warehouse and packhouse operates now has enabled us to drive more efficiencies through the business and crucially, become more accurate in everything we do.

“All of that is being controlled by Prophet and although it was perhaps inevitable that we would eventually evolve in that direction, we really could not have done it without Prophet alongside us.”

For RHG’s commercial team, the immediate benefits have been access to a far greater flow of real-time stock data, allowing them to make faster, better informed decisions and removing the need to spend important time each day manually entering data or checking for availability.

In terms of clarity of day-to-day financial performance, accountant Hickford has also seen real progress. “Because we have changed the shape of the business, the profitability of each lot and the costs associated along the chain are in sharper focus. The nicest thing for me about this software is the flexibility it gives me to interrogate data, download it in whatever shape or form I want it and then manipulate it in

any way I choose. I download daily book reports that give us an immediate insight into everything that has happened on every given day and use benchmark data to highlight any anomalies we need to be aware of.

“That also shows us the sheer scale of the transactions that are passing through Pr2 and illustrates what a robust system it is. It doesn’t matter what volume of data we have thrown at it, we have never had a serious issue with corrupt data.”

Deeper functionality

There is a very definite desire to develop the financial reporting function of the software further. “From day one, the main issue was identifying which parts of the software we wanted to use and we still don’t use anything like the maximum functionality,” says Hickford. “We know there is a lot more development available to us, and I’m sure there is an awful lot more that we don’t realize exists yet, but we have concentrated on developing at the right speed for the business and that has worked well for us.

“I certainly want to delve deeper, though, and drill down into the data to give us as accurate a view as possible of the profitability and margins in every aspect of the business. We need to adapt the way we operate as a business if we want to get the optimum results, but in the current climate, that’s something we have to be prepared to do. In terms of what we have available to us in Pr2 and what we are able to deliver, the next step is up to us.”

Both men agree that Prophet’s data-hungry system has not reduced man hours necessarily, but it has taken some of the pressure off the RHG team, who have been able to refocus their attention on other areas. Hickford explains: “I’ve worked with other systems where it was implied the companies would be able to reduce staff, but ended up taking on 20 more to deal with the needs of the software. I came here from another Prophet-managed fruit environment, and I knew that’s not the case with Prophet – it does not make positions redundant, it frees up time for other tasks.”

“You could not run a business like this without a system like Prophet and I believe Pr2 is the best fit available for the fresh produce industry,” Guindi says. “It’s a great system – the key is using it properly and being helped to use it properly. There are some excellent individuals working with us at Prophet. We have had a good relationship with them from day one and that has continued through some testing times.

“The software has helped us both to provide more timely and accurate information back to our grower suppliers and also to tighten up our EDI ordering and invoicing transactions with our customers. Those were both among the most time-consuming parts of the business before we had Pr2, but we have really been able to speed everything up and reduce the risk of errors in the last three years.”



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