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Jaco Maas - General Manager, BKB Shift

BKB Transforms Supply Chain and Makes the Digital Leap with SYSPRO ERP



At a Glance

KEY CHALLENGE

Leveraging digital technology to address traditional and emerging market challenges.

KEY BENEFIT

Aggregated business insights; optimized supply chain, centralized system in the cloud.

ORGANIZATION

BKB Ltd

INDUSTRY

Agriculture

END USER MARKET

B2B & Retail



Customer Profile

BKB is regarded as being a leading player in the South African Agricultural Sector for over 100 years and serves 67,000 clients, including 35,000 emerging farmers. Operating in both domestic and international markets, BKB employs over 3,500 employees, and serves as one of the world's premier wool and mohair brokerages.

The Mission

How does BKB make the digital leap in a way that addresses traditional and emerging market challenges?

Although BKB has secured the widest footprint across the South African agricultural landscape, the business is faced with the challenge of how to digitally transform in today's ever-changing business landscape.

In particular, BKB's business model is based on trust. More than 50% of the company's income is derived from taking a willing seller's product from the farm, creating a market place for it and bringing a willing buyer to that market place to complete the transaction. BKB facilitates the transaction but does not take ownership of the product. Rather the company receives a commission on how well the transaction is facilitated.

This relationship is rooted in trust making it the most important consideration on how BKB progressed its digital transformation journey. BKB needed to look at the fundamentals of their business and how new disruptive technologies such as blockchain and IOT would impact their business in a manner that delivers tangible benefits to their customers. The technology used would have to meet real business needs.

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The Solution

The shortening, optimizing and simplifying of the supply chain is a key business driver in the agricultural industry.

SYSPRO is continuously keeping abreast of emerging technologies and trends to future proof their customers businesses. SYSPRO played an instrumental role in enabling and accelerating BKB's smart manufacturing goals.

"Our relationship with SYSPRO started in 2014 when we deployed their ERP system which has become the architectural foundation of our digital transformation journey," says Maas.

"Looking back, the decision to partner with SYSPRO became the catalyst for change from a traditional agricultural cooperation to a true agribusiness that embraces the principles of a learning organization. Today we have aggregated business insights delivered seamlessly and in real time from a centralized system in the cloud with all our companies and operations now running on SYSPRO ERP," he adds.

BKB's supply chain is complex, challenging, and highly dependent on personally knowing a stakeholder before trust is established to do business. Using SYSPRO as the system of engagement BKB was better equipped to reduce transactional friction and create value for the customers.

The Digital Business Model

BKB has the largest sheep shearing team in the world and holds six auctions a week, its producers shear ±12 million sheep per year – approximately 63% of South Africa's output.

Through interfacing with SYSPRO's latest ERP solution which employs IoT capabilities, BKB could take the entire auction process online.

Maas explains: "We put an RFID tag in each sheep's ear and link it up to the Internet. It becomes a digital twin of that sheep that can be moved around on the network. We collect what we call 'value digital profile data' on each sheep, and when we move sheep to an e-commerce or auctioneering platform, we can say, 'We have all the information on this animal. We know its age, breed, gender, feet conversion, growth history,'" says Maas. "Now, buyers don't necessarily have to see the animal to start trading with it. It's a great example of how technology can meet real business needs," he continues.

The Blockchain Appeal

Once BKB started connecting sheep, Maass realized that he could leverage IoT even further by integrating SYSPRO ERP with the Blockchain and Distributed Ledger Technology (DLT). By using APIs to link up SYSPRO data to BKB's blockchain app, the company can offer complete traceability and ensure trust up and down the supply chain. For stakeholders, the benefits are immense. Mobile payments based on information pushed into the blockchain help BKB's emerging farmers get advances on their product as it passes through the value chain. Wool buyers know exactly the quantity and quality of wool coming in and can plan production accordingly.

Additionally, BKB has developed an app that records food safety and marketing information for raisin farmers and the pesticide companies who supply them, linking it up to the supply chain information supplied by SYSPRO. "We use information from the pesticide company to alert the farmer on his mobile phone when the chemicals have reached their breakdown period and it is safe to harvest the produce. In turn, we use predictive analysis to inform the pesticide company when farmers are doing their sprayings, so they can actively start promoting their product."

For BKB blockchain's entire appeal is that trust is inherently built into its architecture and offered the following key benefits: the creation of new customer touchpoints and revenue streams, upholding public health, opening up new markets, and simplifying the supply chain.

The Outcome

Tackling the challenge of a digital transformation journey may have started with sheep, but by leveraging SYSPRO's solution offering and Industry 4.0 capabilities, BKB has taken on the role of digitally transforming the entire agriculture industry in South Africa and beyond. BKB now offers block chain solutions and IoT solutions for the supply chain and ultimately greater value to their customers.

"Once we implemented SYSPRO ERP our business underwent a process of increasing our user skill level. We now have a solid base which has enabled us to start building on the insights we got from our information. I looked at the amount of data flow on our Wide Area Network before the implementation of SYSPRO Point-of-Sale and the amount of data after the implementation and we have seen a ten-fold increase.

BKB has 67 000 customers interacting with its SYSPRO ERP system, with a further 35 000 emerging farmers, represented in 1100 shearing sheds, also feeding data into the system. The Company indicated that they selected SYSPRO based on the following key outcomes competitive cost of ownership, ease of use and the ability to digitize our assets, actions and processes.

"SYSPRO's solution has equipped us with business insights into our customer base, payment trends, value allocation and new selling opportunities. Now that we have the facts, we are actively assessing how we apply our strategy to further develop our digital strategy objectives to solve our business challenges," concludes Maas.



About SYSPRO

Established in 1978, SYSPRO is an industry-built Enterprise Resource Planning (ERP) solution designed to simplify business complexity for manufacturers and distributors worldwide. SYSPRO provides an end-to-end business solution for optimized cost control, streamlined business processes, improved productivity, and real-time data analysis for comprehensive reporting and decision-making. SYSPRO is highly scalable and can be deployed either in the cloud, on-premise, or accessed via any mobile device.

Combined with a practical approach to technology and a passionate commitment to simplifying business processes, SYSPRO dedicates itself to the success of its partners and customers alike.

SYSPRO's intuitive product features, business intelligence capabilities, and easy deployment methodology are unmatched in the marketplace. The depth of software functionality and targeted industry knowledge makes SYSPRO an excellent fit for a number of select manufacturing and distribution industries, including food and beverage, machinery and equipment, electronics, fabricated metals, automotive, and many more.

Learn more about SYSPRO's solutions for your industry. [Click here](#) or contact us on info@za.syspro.com



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