

KLN, a family-owned company based in Minnesota that manufactures human and pet food products, is partnering with IFS during a period of rapid growth. With demand for its products spiking, driven partly by the Covid-19 pandemic, KLN worked with IFS to implement an **ERP solution** that would provide the visibility, agility and efficiency needed to set the company up for future success.

Setting ambitious goals amid surging customer demand

KLN was going through a period of rapid growth, with the team working hard to manage their supply chain, manufacturing and staffing to meet surging customer demand, all against the backdrop of the Covid-19 pandemic. The management team at KLN had an ambitious goal to become a billion-dollar company and needed a partner that could help them operate in a leaner, more agile way, to achieve their ambition.

Partnering with IFS to boost efficiency and improve forecasting

Following such rapid expansion, KLN had outgrown its current ERP solution and was looking for better forecasting functionality and a strong MRP offering. IFS was the clear choice, as Lance Schultz, IT Director at KLN explains: "We stacked IFS up against its competitors, but it was IFS's strength in manufacturing and forecasting that put it head and shoulders above the rest."

Currently, all three of KLN's facilities are harnessing the IFS solution, with a full suite of forecasting and planning software capabilities in widespread use across all parts of the business including finance, manufacturing, sales and marketing.

About KLN Family Brands

KLN Family Brands, based in Minnesota, manufactures a wide range of human and pet food products. The third-generation family-owned group is behind well-known brands such as NutriSource Pet Foods and Kenny's Candy & Confections. The company culture at KLN is underpinned by a strong set of values and a keen desire to give back to the community.



Creating a clearer resourcing picture

IFS helped KLN to more easily identify what is needed to produce its goods and run its facilities each day. The team had never been able to track their time against shop orders in the past. Now, with much clearer employee resourcing, they can see exactly how many people it takes to run each manufacturing line, giving them the ability to strategically plan and hire to meet the needs of the facilities.

Schultz explained: "The biggest impact IFS has had is in strengthening the forecasting ability of our manufacturing teams. We can now accurately forecast what we need to make on a daily basis, and our Shop Floor Workbench tells us how much human resource is needed to make our products." Schultz continued: "We can also make changes to the forecast on the go, for example, if a promotion is running or a product is reaching end of life."

Brent Macko, Supply Chain Manager at KLN added: "We can see exactly what we need to schedule for the production floor at any moment, ensuring our materials arrive on time and customer demand is met."

Driving cost saving through better inventory management

KLN's enhanced forecasting capabilities have enabled the company to slash its finished goods inventory by 25% and cut its materials inventory by \$2 million within six months of implementation. Not only has the company saved money, but it's also freed up additional warehouse space that can be used more effectively.

Breaking down data silos

Prior to the IFS integration, KLN had various data silos throughout the business. Now it has condensed those data sources and integrated them all into the IFS solution, allowing the company to reduce its annual spending on maintenance and additional software packages.

Drew Johnson, Business Applications Manager at KLN explained: "Everything now goes directly into IFS. We used to have several different databases, and now we've been able to consolidate them all into one source of truth."

Mitigating risk and easing compliance

Whereas before the integration KLN's system allowed users to access areas they didn't typically work in every day, now they have more clearly defined user permission sets, helping to mitigate risk.



The solution also helps ease the significant compliance and regulation challenges faced by KLN in the food market. Schultz explains: "When we had a change in packaging regulation in one US state, we were able to easily use our ERP availability controls to divert non-compliant inventory away from that state, saving us significant time and money."

The IFS solution also allows KLN to easily manage all of their documents and quality control data, and present that information to auditors and regulators in a concise and complete package.

Keeping customers and employees informed

Whether it's through dashboards or reports, both KLN's customers and employees are now able to access accurate and timely information through their IFS software.

Johnson said: "Using the IFS business intelligence tool, our users can be more agile and create their own reports on the fly, rather than relying on the IT team."

KLN's customers can even access intelligence independently. As Johnson explains: "We've worked with Novacura, an IFS partner, to create a web-based Customer Portal. The customer doesn't have to come into our environment at all, they're able to view the data that's specific to them and create their own reports."

Running a smooth integration

The implementation process ran smoothly and took just over a year. As Schultz explains: "The implementation process was a lot easier than I thought it was going to be. You hear a lot of horror stories about ERP implementations, but we had a great team that supported us, understood our needs and helped us get to the finish line quickly. You can tell they love their software, and really care about their customers."

Looking ahead with IFS

IFS was there to support the team at KLN throughout the implementation process and beyond. As Schultz said: "The team at IFS has been fantastic in supporting us, not just in the implementation but also in post-implementation, as our needs change and we expand how we're using the solution."

KLN are now able to innovate and explore new technologies in partnership with IFS as the company evolves. Schultz said: "IFS is the foundation of our success in the future. We now have a software package that can meet our demands as our company grows and expands. IFS has the capability to grow along with us and we're very excited for what the future holds for our partnership."



Find out more

Further information, e-mail info@ifs.com, contact your local IFS office or visit our web site, ifs.com

