

Local Food Hub System Implementation: Project Overview

Prepared by

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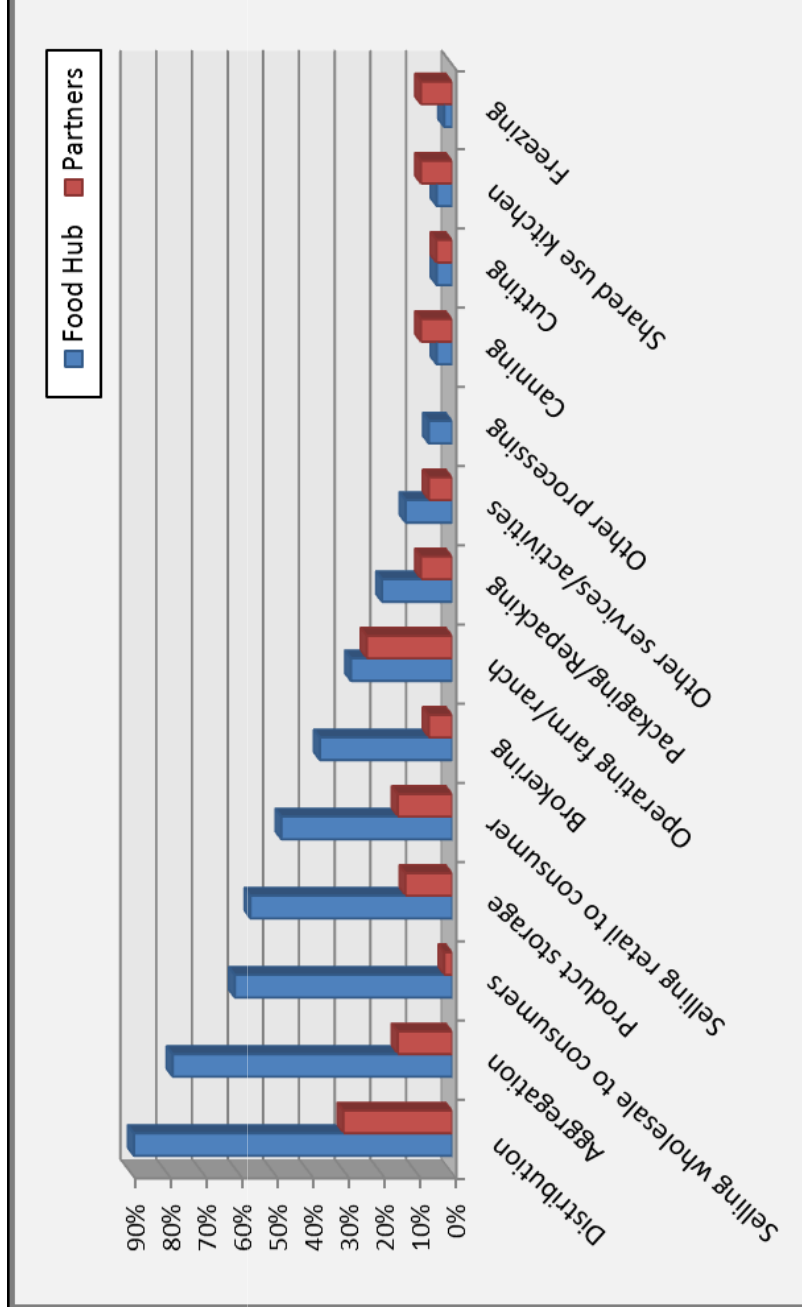
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Introduction

- Improve business performance of and trust in local food system.
- Bring local food system into the supply chain.
- Implement business system for local food hubs and partners.



Source: *Regional Food Hubs: Linking producers to new markets*, USDA Know Your Farmer, Know Your Food Regional Food Hub Subcommittee, May 10, 2011, p. 93.

Enterprise Resource Planning Systems (ERP)

- From sales to distribution to purchasing and manufacturing
- We have added farming configuration
 - Full traceability through supply chain from farm to table
 - Recognizes that local food systems produce products, not commodities
 - Recordkeeping for organic and food safety certification
- Several systems available for small and medium-sized businesses
 - OpenERP is open source system that we are currently configuring
 - NetSuite is an example of commercial system that we have worked with

Project Overview

- Project description
 - **Configure business management functions:** direct sales, retail store, purchasing, inventory, wholesale distribution, warehousing, manufacturing, farm, membership, accounting, human resources
 - **Typical timeline** (depends on scope): requirements (1 – 10 days); configuration (1 – 5 days*); customization (0-20 days); data load (1-10 days); testing (1-10 days); production load (1-2 days)
 - **Typical budget** (depends on scope and client roles): 2% or less of annual revenue, approximately \$800 for startup business.*
- Project team
 - Your internal team coupled with our expertise. We can play an advisory role or do the full implementation, or perform at any level in between.

* We provide a base configuration for food hubs that is further configured to your specific requirements. Our base configuration cuts your cost. See [FoodHubConfigurationOpenERP.pdf](#) for more information.

Tasks Summary

Task	Description
1. Company and Human Resources	Enter company information; set up users and roles; set up departments; enter employee information; set up timekeeping
2. Accounting	Set up financial and managerial charts of accounts, accounting periods, journals, and sales tax rates
3. Sales and Marketing	Configure sales shops and teams, lead stages, categories, and channels, customer segmentation rules, and meeting categories; load contacts; customize fields
4. Purchasing, Warehousing, and Delivery	Validate purchasing process and reconfigure workflow as required; load suppliers; configure warehouses and locations, delivery methods and prices, and automated stock rules; customize fields
5. Products and Pricelists	Enter/load product information; create pricelists and formulas; customize fields
6. Retail Shops	Enter retail shop information; configure cash registers; customize fields
7. Food Manufacturing	Configure work centers and routings; create products' bill of materials; customize fields
8. Farming	Same as Food Manufacturing
9. Memberships	Define membership products; create member price lists; customize fields
10. Reporting & Dashboards	Develop customized reports for each module; configure dashboards by role
11. Document Management	Set up directory structure; add documents

Acceptance Process

- **Per business function**
 - Configuration and customization test
 - Data load test
 - Issue resolution and acceptance
 - Production version acceptance
- **Project owner/committee**
 - Project management issue resolution and acceptance
 - Resource issue resolution and acceptance
 - Training plan and implementation
- **Project Team**
 - Process transparency
 - Project status reporting
 - Resource issue resolution

Beginning Steps

- Conversation about your business
- Take it for a test drive
- Define project scope, budget, timeline, and resources
- Commit to project
 - Project owner/committee commitment
 - Business resource commitment

About Us

- We are food hub members and volunteers (Local Roots, Wooster, Ohio)
- We are farmers, economists, conservationists, and business analysts
- We develop decision systems for sustainable economic development
- We want to bring local foods into the supply chain