



Faribault Foods Replaces Demantra Demand Management in 1 Month



Industry

Consumer Products /
Food & Beverages

Headquarters Location

Minnesota, USA

Size

1000 employees

New Horizon Products

Demand Planning
Sales and Operations Planning

Objective

Replace legacy Oracle Demantra applications with modern cloud solution that would be more accurate, easier to use, and have a lower TCO

Solution

Implemented New Horizon products across entire US business in one month each.

1 Month

To replace
Demantra Demand
Management

10% ▼

Decrease in
forecast
error vs. Demantra

**Support
Costs** ▼

Lower support
costs vs. Demantra

A Decision to Replace Legacy Software with a Modern AI-Powered SaaS Solution

Founded in 1895 in Minnesota, Faribault Foods is a leading manufacturer of branded, co-manufactured, and private label shelf-stable foods, specializing in dry beans, pasta in sauce, soup, and chili. They had used Oracle Demantra Demand Management and Real-Time Sales and Operations Planning for many years. While Demantra offered innovative and highly-rated solutions when Oracle acquired the company in 2006, Demantra was now legacy software. Oracle was no longer updating the application with new capabilities, as it shifted its R&D focus to its new Oracle Fusion Cloud applications.

In addition to wanting actively supported software, Faribault wanted to address some specific drawbacks of their Demantra solution. The system had an expensive total cost of ownership (TCO) because of high annual vendor maintenance fees as well as the significant internal IT resources needed to support the application. This support included the need for a database administrator and periodic forecast engine tuning, requiring highly specialized outside expertise. The old system was also not very easy to use and required extensive training for new users. In addition, they had some problems with forecast accuracy.

As a result of these challenges, Faribault embarked on a search for a new cloud-based solution.



AI and machine learning have given us better visibility into demand and more accurate forecasts so we can become more responsive to changing conditions, says **David Mörker, Senior Director and Head of Information Technology**. ... In addition, New Horizon automates the forecasting process, insulating Faribault Foods from the technical complexity of AI technology.

— *Inbound Logistics Magazine*
January 2023

Why New Horizon

Faribault evaluated New Horizon, the new Oracle Fusion Cloud applications, and other leading supply chain planning solutions. After a careful evaluation, they decided to go with New Horizon for the following reasons:

- Fastest implementation and time to value, resulting from New Horizon's methodology and deep experience working with Oracle Demantra clients
- Modern and intuitive user experience, with much less training required than for Demantra
- Better forecast accuracy from using AI and machine learning
- Lowest TCO because New Horizon's cloud-based software needs much less IT support, does not need database administrators, and does not need expert forecast tuners

Go-Live in One Month

New Horizon's deep expertise with Demantra environments and how to migrate customers from Demantra to New Horizon ensured a quick and smooth transition with minimal workload for Faribault's IT organization. Faribault replaced Demantra Demand Management with New Horizon Demand Planning in just one month. New Horizon Sales and Operations Planning took another month to implement. Each product was deployed across all of Faribault's operations, including four distribution centers, 1800 items, and 1100 customer locations. Eighteen users from Faribault's supply chain and sales organizations use the system.

More Accurate Forecasts, Lower TCO, Intuitive UX, and Improved Supply Chain Performance

Faribault's adoption of New Horizon's applications has delivered numerous business benefits:

- A 10% decrease in forecast error compared with Demantra
- Lower support costs and TCO vs. Demantra
- Intuitive user experience resulting in greater adoption, higher planner productivity, and less need for training
- Increased service levels, sales, and market share resulting from more accurate forecasts and reduced out of stocks
- Quick and agile response to supply chain disruptions and changes in market conditions

To learn more:

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