

## Alabama Farmers Cooperative grows profits with QlikView – retail operations improve efficiency

“ Now we have this information virtually in real-time so that we can adjust the business quickly. . .With this information, we are undoubtedly improving margins and profitability. ”

Wayne Holt, CIO, AFC

Alabama Farmers Cooperative, Inc. (AFC; [www.alafarm.com](http://www.alafarm.com)) is a regional federated supply and marketing agricultural cooperative created to provide value to its members. Organized in 1936 and governed by a board of directors elected by its membership,



AFC operates for the benefit of its 47 member associations, which include approximately 90 retail locations.

Through diversity and strong leadership, AFC has become one of the largest farmer-owned agriculture related businesses in the Southeastern United States. This complex organization, with annual sales of more than \$300 million and more than 2,300 employees, has

grown through a series of joint ventures, including Agri-AFC, a purchasing organization, as well as acquisitions, such as Anderson’s Peanuts, a major national marketer of seeds and raw peanuts; Biologic, a developer of forage blends for wild game; Bonnie Plant Farm, one of the largest suppliers of vegetables, herbs and flowering annuals in the continental U.S.; and SouthFresh Farms, a leading grower and processor of premium quality catfish.

### Challenge: Maintain margins and profitability in a wildly variable, seasonal business

AFC’s management oversees a myriad of business services offered to its members, from providing credit lines that support members’ seasonal and long-term needs, to supporting dozens of retail outlets and wholesale suppliers. Seasonal variability is a mainstay of its business, so “managing uncertainty” is a way of life with a tremendous impact on profitability. AFC now manages this uncertainty – successfully – through technological innovation and fact-based decision making. That’s where QlikView comes in.

Before QlikView, AFC was greatly challenged to determine product margins

### Solution Overview

**Alabama Farmers Cooperative**  
Regional federated supply and marketing agricultural cooperative

#### Industry

Consumer Products, Retail & Wholesale Distribution

#### Function

Executive, Sales, Web, Supply Chain, Operations, Finance

#### Geography

USA

#### Challenges

- Quickly access cohesive data from more than 90 retail locations and over 3,000 product lines that had been previously stored in a myriad of difficult-to-use systems
- Improve decision-making in a seasonal, uncertain business with product margin and profitability data available in real-time
- Increase data visibility across all departments and the entire enterprise for better operational efficiency

#### Solution

AFC deployed 12 QlikView applications to 20 users in a span of only 16 weeks. With QlikView across six functional business areas, AFC’s Chief Financial Officer now monitors an easy-to-view dashboard of more than a dozen key performance ratios, all updated daily for real-time information and swift adjustment to seasonal fluctuations. With QlikView Server and Publisher, management has both deeper visibility into operations and a better overall understanding of the business picture.

#### Benefits

- Increased executive visibility of the overall performance of the organization, leading to more informed decision-making
- Improved efficiency at all retail locations with one-click access to sales and inventory data
- Enhanced customer service with faster, more accurate response to questions
- Faster data availability, allowing the company to adjust quickly to common seasonal changes and improve profitability





and profitability accurately. Data was stored in various systems, and reporting was a cumbersome, manual process. Because of this difficulty, profitability analysis could only be done on a monthly basis, and confined to a small subset of the more than 3,000 product lines AFC carries.

Today, QlikView reporting provides both dashboard control and drill-down detail on demand to keep AFC management, sales and retailers growing. The newfound visibility in QlikView applications for inventory, sales, profitability, route management and operations are improving efficiency within the Cooperative, and QlikView-powered portals, such as product catalogs and store management, are improving the overall effectiveness of the users.

### Solution: QlikView reporting manages operations

In the span of only four months, about a dozen QlikView applications have been developed by one person in AFC's Computer Services group (Jessica Stanford, a recent college graduate with a Business Administration background), and deployed to AFC's executive team, finance department, store managers, sales managers and salespeople. "Even though I do not have a technical background, QlikView has been easy to work with,

and it has allowed me to analyze data and present it in a graphical manner to help our managers make better business decisions," said Stanford. Some of AFC's powerful new QlikView applications are highlighted below.

Financial applications provide the management team with in-depth insight into AFC's finances from the regional level all the way down to individual products. This enables AFC to identify the most profitable product lines and the most effective channels to distribute its products, and also to forecast demand based on past sales.

Agriculture is a debt-heavy business, so Dan Groscost, AFC's CFO, uses QlikView to see overall debt by various measures, including bank, year, month and daily averages, with graphical seasonal trending. Groscost often uses QlikView in update meetings with AFC's bankers. "When we use QlikView in meetings with visitors, they are impressed with the graphical presentation and ease of reviewing so much data so quickly," he said.

When one of AFC's retail stores requests a loan, AFC's management team uses its QlikView Loan Processing application to instantly analyze the requestors' financial ratios and sales history; giving



them a comprehensive picture (with drill-down detail) on which to base decisions. "Within 10 minutes, we can analyze store performance with a three-year trend analysis to take aberrations into account," said Wayne Holt, Chief Information Officer of AFC. Benchmark analysis helps improve performance of both individual stores and AFC overall. This allows AFC to provide help where necessary and invest in stores appropriately.

Inventory applications enable each of AFC's retail outlets to view not only their own inventory, but also the inventory of other locations – reducing duplicate purchasing and accelerating product sellthrough. This feature-rich application includes product images, owners manuals, instruction manuals and part re-order forms for more than

3,200 items – serving as a complete product catalog and information repository. Users can search by item, UPC code or almost any variable. Information is refreshed every two hours, giving users practically real-time access to anything they need. Inventory also reaches out to AFC’s joint venture company, Agri-AFC, so that they, too, can benefit from this visibility.

Sales applications provide insight into the sales performance of geographic regions and individual sales representatives. As in any other QlikView application, performance can be viewed in unlimited dimensions – by product line and item, customer, region, store, etc. QlikView Publisher ensures the security of each store’s data so that access is limited to the appropriate users. With Publisher, users only have to log in once to get access to all of their applications, and developers have a streamlined way to push out new applications.

**Results: Management and retail stores are more efficient, empowered and profitable**

Management has both deeper visibility into operations and a better understanding of the overall business picture, making more informed decisions. The retail stores are benefiting as well. Having “one-click” access to sales performance



and inventory makes them more efficient. In addition, the inventory repository allows them to provide better customer service, since all of the product information is instantly available.

As one powerful example of the “before and after” business difference with QlikView, AFC’s CFO monitors a dashboard of more than a dozen key performance ratios, all updated daily by the

balance sheet data, to keep his finger on the pulse of his business. “Before, these ratios were calculated once a month,” said Holt. “In a seasonal business, that’s just too late to make adjustments. Now, we have this information virtually in real-time so that we can adapt quickly. It’s still early to quantify the impact, but it’s intuitive that we are improving margins and profitability for our members this way.”

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*Jessica Stanford, Business Analyst, AFC*

