

BUSINESS GUIDE

# A Direct NetSuite Manufacturing Connection for Growing Food and Beverage Producers



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# A Direct NetSuite Manufacturing Connection for Growing Food and Beverage Producers

*NetSuite Manufacturing combined with PCG SmartFactory's industry experience give food and beverage manufacturers a complete picture of their business operations to help them make fast, accurate decisions and operate more profitably.*

Food and beverage manufacturers managing their growing operations with aging business systems, disparate applications, spreadsheets and manual processes have been tested by the impact of the global pandemic. Meanwhile, they continue to face new regulations, evolving customer preferences and new competitive pressures. To effectively compete in this environment, they need unified cloud-based software solutions to run their businesses.

When companies have the right technology in place, they can increase their speed to market, improve operational efficiency, better manage labor and the investments in their manufacturing equipment. Yet, many still combine legacy systems to manage their programmable logic controllers (PLC). This approach results in a disconnected, inefficient enterprise.

Companies of all sizes want to unlock the capabilities of the equipment data captured in their PLC but lack the means to harness this untapped potential. In most cases, the PLCs are not integrated with the food and beverage manufacturer's Enterprise Resource Planning (ERP) system, which means the two critical software applications can't share data with one another and require manual data entry.

To circumvent these issues, manufacturers turn to homegrown software systems or processes to push the daily output over to Excel or a Structured Query Language (SQL) database. Much of this is after the fact and requires manual effort to analyze the data to make it actionable.

This guide explores some of the main challenges that food and beverage manufacturers and distributors are facing, and explains how a unified cloud ERP supported by an implementation partner that understands complex manufacturing environments helps companies overcome these obstacles and focus on their growth goals.

“Having disconnected equipment or data silos robs manufacturers of the opportunity to actively manage their business more profitably. We help manufacturers integrate their equipment and shop floor operations into NetSuite to gain real-time visibility over their production operations to better control costs, quality, service and throughput.”

**Ken Staresinic, Vice President of SmartFactory Services, Providence Consulting Group (PCG)**

### Running a Better Business

As the third-largest contributor to the overall US manufacturing gross domestic product (GDP), the food and beverage industry employs more than 1.8 million people. Food and beverage companies have a significant presence in states like Washington, Oregon, Montana, Vermont and Maine—where they represent anywhere from 20%-38% of the total manufacturing companies. They are focused on quality and compliance, adhering to the Food Safety Modernization Act (FSMA), more sustainable packaging and production and blending more cloud computing, supply chain analytics and artificial intelligence (AI) into their operations (among other concerns), according to the National Institute of Standards and Technology.<sup>1</sup>

Rapidly intensifying compliance regulations are a primary concern for most, according to Ken Staresinic, Vice President of SmartFactory Services at PCG, who works closely with food and beverage manufacturers that want to automate their operations and upgrade their existing technology. The safety regulations associated with Food and Drug Administration (FDA) regulations and Safe Quality Food (SQF) compliance, for example, are requiring food and beverage manufacturers to replace paper-based processes that may have sufficed in the past.

“These companies know that they have to be far more compliant in the future and are looking to digitize these processes to limit the risk of errors

and increase the response time to deviation,” said Staresinic. “A lot of them are coming to us due to the stringent guidelines that are being laid out by the various regulatory agencies for the food industry. Everyone’s trying to figure out how to run their businesses better.”

### Addressing Top Manufacturing Priorities

Along with complying with new regulations, food and beverage manufacturers are also focused on technological innovation, talent cultivation, improving process capabilities and creating long-term value for all stakeholders. Alan Goeke, Vice President of Sales at PCG, said companies want to move faster and grow while also meeting their customers’ expectations and staying profitable.

This balance is difficult to achieve using aging technology systems, spreadsheets and manual processes. PCG combines NetSuite with its SmartFactory portfolio of applications, effectively extending the system’s native functionality to provide robust manufacturing execution capabilities that drive better production, improved profitability and a new competitive advantage.

While ERP solutions offer manufacturers financial, planning and inventory management capabilities, they can’t always meet the rigorous demands of next generation Manufacturing Execution Systems (MES) requirements. Used in manufacturing, MES helps to manage, track and document the entire material conversion process from batch processes

<sup>1</sup><https://www.nist.gov/mep/manufacturing-infographics/food-and-beverage-manufacturing-industry>



to discrete packaging operations. When PCG integrates ERP and MES into a cohesive solution, the two systems work together and help companies plan, monitor and align performance against orders and business goals.

The combined solution also helps food and beverage companies tackle one of their biggest pain points right now: a lack of available talent. “You just can’t find employees anymore,” said Goeke. “Knowing this, the more systems and processes that a manufacturer can automate, the better they can create operational reliability that bridges the gap between operations and finance, enabling a holistic view of the enterprise.” This higher level of visibility also drives better collaboration and performance across departments, teams and individual employees.

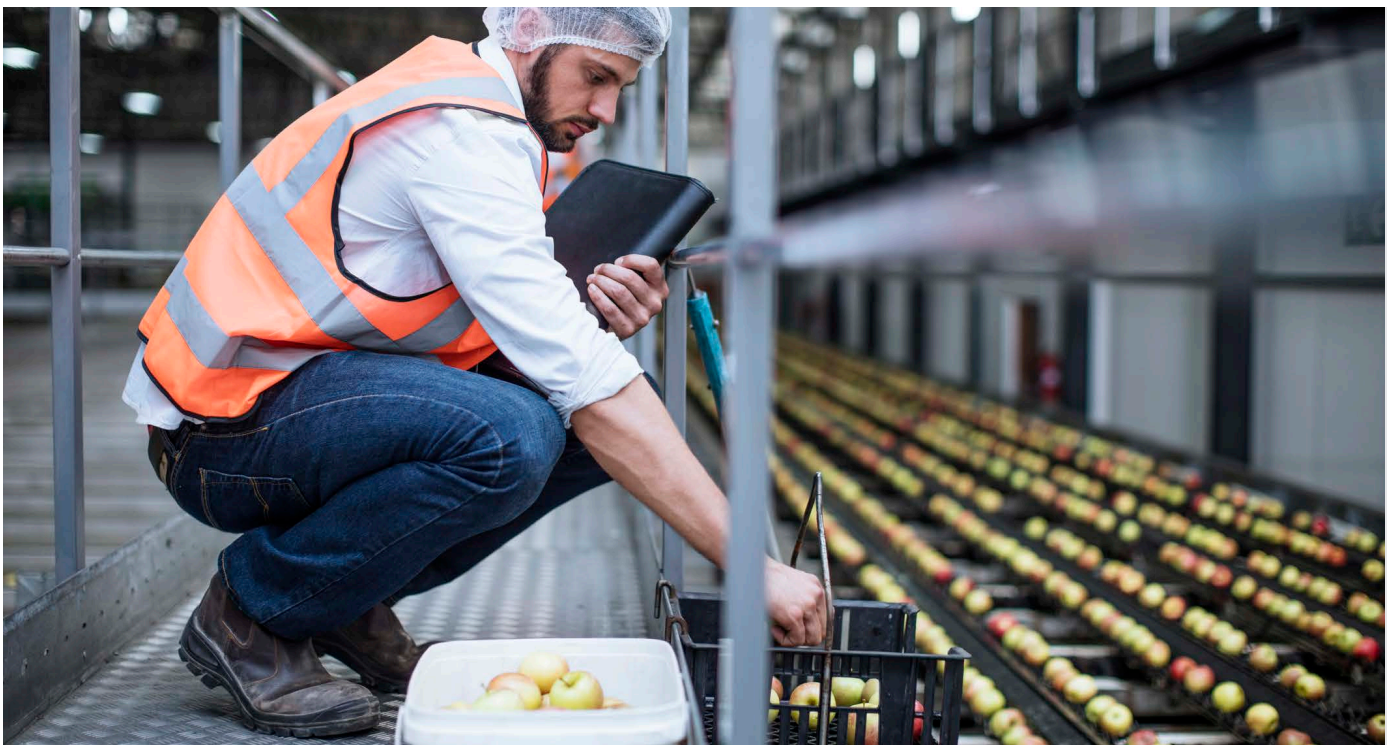
Another top priority for food and beverage manufacturers this year focuses on building strong “organizational muscle memory” through improved process capabilities and systems that can deliver

fast, accurate and seamless experiences for their customers. “It’s about anticipating and handling shifts in demand or supply faster and more affordably than other companies do,” said Goeke, who points to the current supply chain disruptions and shortages as a key driver.

“If they could, businesses would choose to use simple solutions to manage processes and increase overall performance, but the fact is today’s businesses need fully integrated, scalable and secure technology to meet customer and profitability goals,” Goeke concluded. “With PCG, this can all be accomplished within the context of the NetSuite ecosystem.”

### **A Robust Integration Hub**

NetSuite Manufacturing, a leading cloud ERP system, works with PCG SmartFactory to automate MES and other processes. SmartFactory is the integration hub that allows relevant data to be automatically transferred to support product costing for food and beverage companies,



“We bring together and harness the power of information from manufacturing equipment, business processes, the supply chain, innovation and product design efforts along with financial information to give food and beverage manufacturers a complete picture of their business. This leads to fast, accurate decisions and more profitable operations.” Alan Goeke, Vice President of Sales, PCG

including work order completion, bill of materials (BOM), inventory and work in progress (WIP) management.

Key elements of NetSuite Manufacturing with SmartFactory include:<sup>2</sup>

- Cloud-based architecture that provides scalability, security and cost effectiveness.
- Machine integration and edge devices via the Industrial Internet of Things (IIoT).
- Out-of-the-box connection to transactional data, workflows and processes.
- “No-code” extensibility by leveraging proven Tulip™ “no-code” technologies for easy integration of new functionalities.
- SuiteAnalytics for real-time production optimization, insight and profit opportunity identification.

SmartFactory has adopted NetSuite’s SuiteSuccess model for customer engagement with a typical implementation time for existing NetSuite customers lasting as little as four to six weeks. For new NetSuite customers implementing NetSuite ERP, PCG can easily incorporate SmartFactory into the implementation schedule. PCG helps customers vastly reduce the number of production errors, run more accurate analytics, assess machine downtime/runtime/efficiency and better understand the detailed parameters of operating

processes. The latter directly impacts food and beverage companies’ compliance to production specifications and full forward and backward traceability.

NetSuite Manufacturing with SmartFactory also meets food and beverage manufacturers’ need for a technology solution that truly fits their business with a team that understands the inner workings and pain points of a food and beverage manufacturing operation as their implementation partner.

PCG brings consulting, implementation, integration and management expertise to propel manufacturers ahead of their competitors. The partner helps organizations plan, schedule, adapt, manage, monitor and optimize manufacturing processes across their ERP and MES platforms. It also helps companies address their very basic needs: gathering, assessing and acting on their data, which in the past was often scattered across multiple, unintegrated systems.

“A lot of the manufacturers we’ve worked with don’t realize the full value or potential of linking the plant to their enterprise business system. SmartFactory helps to deliver that capability,” said Goeke, who compares that process to Electronic Data Interchange (EDI) for the manufacturing world. EDI exchanges business documents in a standard electronic format between business partners, using automation to reduce costs, increase processing speed and reduce errors.<sup>3</sup>

<sup>2</sup> <https://pcgservices.com/smart-factory-for-netsuite>

<sup>3</sup> <https://www.edibasics.com/what-is-edi>

“In today’s business world, EDI does a really nice job once you get it mapped out and set up to handle sales orders and order entry, but there are very few cloud-based solutions for manufacturing operations,” Staresinic explained.

### Adapting to Change

Whether a manufacturer is an existing NetSuite user who wants to integrate its MES operations into its ERP system or wants a standalone next-generation MES to replace or enhance its disparate, paper-based and manual systems, PCG SmartFactory provides a flexible and affordable solution for companies at either end of this spectrum.

In a world filled with constant business, market, technology and customer changes, food and beverage manufacturers need sustainable business platforms they can count on to help them succeed. By combining a leading cloud ERP with an industry-built cloud MES solution, PCG helps manufacturers adapt to changing requirements, leverage automation and lower the cost of doing business.





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