

Philippines Noodle and Snack Maker Marikina Food Corp. Finds the Recipe for Success with Acumatica ERP



OVERVIEW

Marikina Food Corp. is the second-largest bihon noodle manufacturer in the Philippines. An aging legacy financial system cobbled together with oodles of Excel spreadsheets challenged Marikina executives to grow. The legacy software also lacked production functionality, an essential requirement for their diverse manufacturing operations. Marikina deployed Acumatica Cloud ERP for improved inventory accuracy and new business insights enabling expansion into international markets with a modern solution to manage manufacturing operations.

KEY RESULTS

- Improved competitive positioning with a comprehensive suite of connected applications
- Gained accurate inventory for just-in-time manufacturing
- Reduced input errors through automation resulting in a headcount reduction of two people in accounting
- Set a foundation for growth with unlimited user licensing for future growth independent of per-seat license fees
- Obtained greater financial data transparency, accuracy, and agility reducing sales processing time by seven days
- Automated processes on a unified platform for improved productivity, sales insights, and decision-making

CHALLENGES

Marikina Food Corporation is one of the Philippines' pioneers of machine processed and dried bihon noodle products. Their HOBE "QUICK COOK" Bihon and Hobe Express products are household names in the Philippines and other regions. Sales are predominantly from "wet markets," representing the majority of sales through non-supermarket retail and restaurant facilities, with the remaining sales through grocers. Marikina expanded its product portfolio to include snacks, preserves, and condiments sold domestically and distributed through international partnerships.

Marikina Food used a legacy ERP software with disconnected Excel spreadsheets for years to run its business. The system was adequate when transaction volume was low and production levels were steady during the company's startup years. However, as transactions increased, more and more people were added to input data leading to inaccurate and untimely information.

"System generated financial statements had a lot of errors, nothing was in real-time or updated, and we used more people than today.," says Patrick Ordonez, Financial Consultant.

Because Marikina only purchased a few of the legacy ERP user seat licenses, only three or four people could use the software at one time, which hampered productivity. In addition, they didn't have the manufacturing or inventory functionality needed for food manufacturing.

They needed a more modern application to improve efficiency throughout their operations.

SOLUTION

Marikina evaluated several leading ERP systems before settling on Acumatica Cloud ERP, which was introduced by Marikina's long-time technology partner Vantage Consulting and Solutions Inc.

"We had a trust factor with Vantage, and Acumatica's unique pricing model had a big impact on our decision," says Ordonez.

Acumatica's unlimited user pricing model allows Marikina Food to add employees as they grow without adding costly per-seat license fees, he says.

Company

Marikina Food Corp.
www.hobe.com.ph

Industry

Food Distribution and Manufacturing:
Noodles and Other Snack Foods

Location

Philippines

Number of Employees

Approx. 400 full time employees

Products

Acumatica Distribution Edition with:

- Advanced Financials including Intercompany Accounting and Fixed Assets

Customer Social Sharing Details



www.facebook.com/hobephilippines



www.instagram.com/hobephilippines



www.youtube.com/channel/UCh19-XEa5ZWxogm1n04dVhA

Partner Details



Vantage Consulting and Solutions Inc.
www.vantagesolutions.biz

BENEFITS

Marikina Food now has real-time information for strategic planning and decision-making, improving the company's positioning against established competitors in key market segments. Among the many insights gained from Acumatica were ways to strengthen pricing to gain market share while maintaining sales margins and expanding into new international markets. In addition, manual data entry was reduced significantly through automation resulting in efficiency gains throughout the organization.

Single Version of Truth Increases Confidence

Most importantly, Acumatica provided a single version of the truth that Marikina Food executives can rely on because the data is accurate, complete, and up-to-date.

"We use Acumatica to make sure everything is accurate—from orders to inventory and invoices to payables," says Ordonez. "Acumatica provides accurate inventory, which means we can reorder some items and operate just-in-time to maintain necessary inventory levels for everything else."

Having real-time data empowers executives to make informed decisions faster. "We used to wait seven days for the information to come in. With Acumatica, we have it in two days or less. This allows us to make decisions at a faster rate, react faster, and stay ahead of the competition," he adds.

Focus Shifts to Insightful Reports

When the finance team doesn't have to check or constantly verify data accuracy, they can produce meaningful and actionable reports. As a result, accounts receivable and payables are current, resulting in better cash management and faster approvals.

The team saved an incredible amount of time through automation and connected workflows throughout the Acumatica application. For example, sales are posted automatically and flow naturally through the system. Previously, orders would be faxed or emailed, and then someone had to enter them manually into the previous system. "With Acumatica, everything is integrated," Ordonez says.

"Acumatica's clean, user-friendly, role-based design and powerful approval level configuration improve employee efficiency with actionable reports and inquiries available on interactive dashboards," he adds.

Data Insights Help Marikina Remain Competitive

Marikina Food's sales team could not view sales data in the previous system. With Acumatica Cloud ERP, executives and users alike have full access to see where the company stands at any given time. "We can now see which items need to be discontinued, if there is a problem with costs, and do a deep dive by product, by region, by salesperson, and product category," Ordonez says. "Our decision-making is much better."

Executives say investing in Acumatica has made the company a more efficient manufacturer. It has also reduced the factory's downtime and prepared them for continued growth to provide additional jobs at their facility.

"Demand for our noodles and snacks is rapidly expanding. Now we can handle the growth more efficiently with Acumatica," Ordonez says.



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—Patrick Ordonez, Financial Consultant
of Marikina Food Corp.