

Courage Production

Measuring what matters in Meat Production



- Why coherent data collection and analysis is an asset in the hot-dog and beef jerky production at Courage, California
- How even small improvements in the production chain can have a big effect
- How to achieve optimum utilization of the production lines

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Rob Engelhart,
President of Courage Production

Those who want to cut the costs in meat production need to minimize the losses in the processing chain. Rob Engelhart and the Californian enterprise Courage Production demonstrate how this can be achieved through precise measures. Their key to success is the coherent data capture throughout the entire production process, as well as detailed analyses and planning in the ERP system.



Digital data management enables Engelhart to make his company more efficient and to reduce the costs.

#Forwardtogether

Forerunners, innovators and doers. The digital transformation is driven by decision-makers who want to optimize, digitize and automate their business. We from CSB support them on their way. Their ways may be different, but the direction is the same.

Rob Engelhart is one of these forerunners. Check out the multimedia story on our website.



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Comprehensive digital optimization program

“What if we were able to know exactly which smoke house provides the best results for specific product groups?” That is just one of the questions Rob Engelhart, President of Courage Production, has been asking. The company based in Fairfield, California, was founded in 1911. It specializes in hot dogs, beef jerky and delicatessen products - and it is very successful in addressing its current challenges by using new technologies. In 2009, Courage introduced the ERP software by CSB-System to better support the government regulations and the increasing documentation requirements in its business.

By doing so, the company has laid the foundation for a comprehensive optimization program which, to date, has produced many great results. “We spent a good two years investigating how we could improve the production process. In the past, everything was rather complicated. Every day, some 50 pages of paper were passed on to production: orders, bills of materials, recipes, work instructions, etc. We have now digitized and streamlined this to a great extent. At the same time, we have really intensified our data capturing”, says Engelhart.

Which products should go to which smoke house?

The smoke house example clearly shows which major efficiency gains could be achieved here. Courage produces about 350 different items. Every single item, at some stage, will go into one of the four smoke houses, where it will lose part of its weight. But how much is it exactly, and why do the losses in the smoke houses differ? A pilot project was launched to find this out. Every smoking cart was weighed before and after smoking, at PC racks that were set up specifically for this purpose. The weights were transmitted online to the ERP system, and the resulting aggregated data provided a precise overview so that the managers

could determine the respective weight losses. As a result, they were able to identify in which smoke house the specific products had the lowest loss. This in turn allowed optimal economic planning and distribution of the raw materials to the different positions in the chambers. The outcome was that numerous so-called “marginal gains” – such as a two-percent increase in hot dog yields, one percent less water loss for beef jerky - ultimately added up to a major cost saving. “This allows us to optimize the yields of every item in every smoke house, and to reduce our losses to an absolute minimum,” Engelhart reports.

Optimum utilization of production lines

While the digital optimizations have led to a high level of efficiency now, the management now focuses on the metrics-based planning and control of the meat processing facility. Predictive machine planning has become increasingly important to ensure the best possible utilization of the production lines and, at the same time, to remain flexible for short-notice orders. With Advanced Planning and Scheduling (APS), both are possible for Courage, as the module takes the five most important factors into account for planning: product group, label, wrapping films, allergens, and set-up changes. The system

provides an optimized planning proposal, which can be adjusted dynamically and in detail by the managers. A series of several optimization measures that Courage recently initiated should bring even more transparency. The aim is to make the ERP system and its data on purchase orders, order entries, invoices, calculations, production orders and inventory movements, the “workhorse” and the growth driver for all business decisions. “We want to double our production and expand our products throughout the United States over the next five years,” Rob Engelhart says.



Company

- Courage Production
- Specialist for hot dogs, beef jerky, poultry and delicatessen products
- Founded in 1911
- Production volume approx. 7,000 tons
- 350 different items
- 120 employees
- Long-term supplier of retail customers like Costco, Trader Joe's, Whole Foods (Amazon), Safeway and Vons
- www.courageproduction.com



Solution overview

ERP with Procurement, Inventory, Production, Coverage Planning, Sales, Production Planning and Control, Quality Management, Traceability, EDI, Business Intelligence, Financial Accounting, Mobile ERP



Top customer benefits

- Digital data management enhances the process efficiency and enables in-depth analyses
- Optimized smoke house planning and allocation minimizes production losses
- Simulated recall takes less than one hour
- Optimum utilization of production lines through precise planning and simulation

Programmed for Your Success

CSB-System AG | An Fürthenrode 9-15 | 52511 Geilenkirchen, Germany
Phone: +49 2451 625-350 | Fax: +49 2451 625-311 | info@csb.com | www.csb.com
CSB is represented in more than 50 countries worldwide.

