

Pilgrim's Pride Cuts IT Costs of ConAgra Acquisition Using SEEBURGER To Speed B2B & SAP Integration

PILGRIM'S PRIDE AT-A-GLANCE

CUSTOMER BUSINESS

Pilgrim's Pride Corporation is the second-largest poultry producer in the U.S. and Mexico.

TYPE OF PROJECT

EDI Integration

SAP Application Integration

Show Floor Systems (5 versions)

Logistics Applications (ILENS)

Transportation Management (i2 ITLS)

SOLUTIONS

SEEBURGER B2B Gateway

SEEBURGER SAP Connector

BUSINESS BENEFITS

- **Fast post-merger application integration**
- **Fast addition of new EDI trading partners**
- **Reduced development costs**
- **Reduced time to market for new applications**

TECHNICAL BENEFITS

- **One platform for B2B and EAI**
- **Rapid process design**
- **Customizable workflow**
- **Seamless SAP integration**
- **Scalability to support growth**

TECHNICAL ENVIRONMENT

- **SAP R/3, i2, ILENS Logistics**
- **SQL Server database**
- **Windows and AS/400**

When poultry producer Pilgrim's Pride acquired the chicken processing operations of ConAgra Foods in 2003, the IT staff had a major integration job on its hands. Pilgrim's Pride had 10 months to bring 17 ConAgra plants using five different manufacturing execution systems into its SAP environment. Both the plants and the trading partners inherited from ConAgra also had to be added to the company's Electronic Data Interchange platform. SEEBURGER's B2B Gateway handled both the B2B and the SAP integration tasks — and an ensuing jump from 10,000 to 23,000 transactions per day — quickly, easily and on schedule to keep the chickens rolling out the door.

The Challenge

Mergers and acquisitions always present a daunting challenge in the area of integrating disparate IT infrastructures, and this was no exception. The acquisition united the #3 and #4 chicken producers in the country, elevating Pilgrim's Pride to the #2 spot. The company would now have annual sales of \$5 billion and operate 59 chicken processing plants handling some 30 million birds per week. All production and distribution processes had to be thoroughly meshed to ensure a smooth transition.

While Pilgrim's Pride utilizes various mySAP modules for most of its core business operations, each plant has a local non-SAP shop floor application that must communicate with the firm's SAP system. Before the acquisition, Pilgrim's Pride had three different shop floor packages. ConAgra's five had to be added to the mix, along with the IBID Transport load bidding tool from ILENS Logistics Corp. that Pilgrim's Pride was adopting to support its expanding transportation requirements.

In addition, dozens of EDI messages and associated workflow had to be created for the new trading partners gained in the acquisition, from grocery stores to foodservice distributors, over-the-road transportation carriers and third-party cold storage warehouses. All of this work had to be done within the same aggressive 10-month timeframe as the massive back-end effort required to add ConAgra's operational data to the Pilgrim's Pride SAP system.

The Strategy

Shortly before the ConAgra acquisition, Pilgrim's Pride had replaced an EDI package it considered inadequate with SEEBURGER's B2B Gateway. The SEEBURGER product offered two key benefits that proved to be critical both in the initial EDI implementation and in bringing ConAgra on board. First, it had a native SAP connection that eliminated throughput problems caused by the need to route traffic on its earlier system through a file port. Second, it provided B2B and enterprise application integration capabilities on a process modeling single platform with common tools and the ability to handle any file format from the same mapper,

Pilgrim's Pride Cuts IT Costs of ConAgra Acquisition Using SEEBURGER To Speed B2B & SAP Integration

significantly shortening development time.

Initially, Pilgrim's Pride had used SEEBURGER's integration designer to link its three different manufacturing execution systems and i2 Technologies' ITLS transportation planning application with its mySAP suite as well as to set up EDI operations with its trading partners. These same tools took center stage in the race to meet the ConAgra integration deadline.

"If we had needed to recode SAP to communicate with five different shop floor applications and our new IBID logistics package, it would have been impossible to complete the project on time," says senior integration architect Shawn Collenburg. "SEEBURGER's workflow engine could be configured to deal with all the different variations on how the plants needed the data presented without touching SAP itself, and the SEEBURGER gateway could act as our integration broker. This saved us weeks of work."

The Benefits

For Pilgrim's Pride, SEEBURGER's technology has reduced time to market and development costs for both the ConAgra IT integration and subsequent projects through its ability to eliminate hard coding within SAP as well as handle B2B and EAI design with a single toolset.

In contrast to the six months required to populate mySAP with information on ConAgra's products, customers, suppliers, and so on, the B2B/EAI portion of the post-merger integration project took only 12 weeks. This included six weeks to link processes such as production orders, forecasts and warehouse picking instructions from each ConAgra shop floor package to the mySAP database, followed by six weeks of mapping roughly 100 permutations of 20 EDI transaction sets ranging from purchase orders to credit/debit adjustments. All work was done from the same mapper, eliminating the need to use different tools for ERP, flat file, legacy, database, ANSI X.12 and EDIFACT transactions.

The same tools have since enabled Pilgrim's Pride to add

XML messaging and deploy other important new processes in record time. Some months after completing the ConAgra project, for example, the IT team used the SEEBURGER platform to quickly roll out a supply chain optimization application that involves sharing specific sets of business metrics with an outside consultant over the electronic link for analysis and recommendations for process improvements. "The SEEBURGER tools are so flexible that I haven't yet found anything that I can't do with them," Collenburg says. "If I can imagine it, I can pretty much do it."

The Future

At Pilgrim's Pride, the SEEBURGER B2B Gateway continues to play a vital role not only as the company's EDI platform but as a vehicle for ongoing internal application integration. Projects on the roadmap include the addition of suppliers of machine parts and MRO items to the firm's EDI system; gradual consolidation of the company's multiple manufacturing execution programs and other back-end applications for optimal use of its SAP suite across all operations; and integration of a number of add-on SAP functions requiring the use of the SAP Exchange Infrastructure.

SEEBURGER's single-platform architecture, built completely in-house to provide one easy-to-use toolset, will streamline these and other development tasks. "The more tools you use, the less efficient you will be," Collenburg notes. "With SEEBURGER's product, we can work in a universal environment for our B2B and EAI projects, and we can also reuse processes we created for one application in other areas. It's simple, it's faster, and it allows us to do the maximum work with the minimum resources." sibilities through its mySAP Financials application.

"It's all about automating information exchange for accurate and timely delivery, both in the supply chain and beyond," Norris says. "At the end of the day, this offers us strategic business advantages that will strengthen our customer relationships. The move to the SEEBURGER platform has given us the tools to do this quickly and at very low cost."