

How St-Donat family bakery made a successful digital transformation with Fidelio Cloud ERP

Discover how dynamic family business St-Donat reduced the time needed for recall exercises by 3 with Fidelio.

Customer

Running a family business isn't easy. It's about adapting and keeping up with the times to prosper from generation to generation. With nearly 100 years of experience in Quebec and Ontario, St-Donat Bakery knows what it's all about.

Combine that with 10-20% annual growth and you get a sense of the challenges the company face every year: 4 million pastries sold of which 80% are distributed in large food chains, such as Sobeys, Metro and Loblaws.

This continued growth led the bakery to double in size 5 years ago, which resulted in a number of inefficiencies in their employees' daily tasks.



St Donat
BOULANGERIE • BAKERY
- 1924 -

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Emmanuel Tedeschi
ERP Project Manager
St-Donat

Challenge: Giving the company the visibility and agility it needs to make effective decisions

Operational issues that arose from the expansion of the plant and the ongoing growth of the bakery could be summed up as follows:

Difficulty in finding reliable information and lack of agility: The bakery used many different tools that did not communicate with each other. This also multiplied the channels into which information could be entered (sales inventories, production inventories, etc.).

Complex and error-prone billing and ordering process: St-Donat manually encoded its invoices from a large number of distributors.

Difficulty in inventory management and batch tracking: The bakery did not have a centralized system to track inventory for its 6 external warehouses from which distributors get supplies at varying frequencies.

"Employees were spending more time entering data than analyzing it. This made information difficult to access and hindered management decision-making. It was all of these factors that led to the acquisition of an ERP system."

Emmanuel Tedeschi, ERP Project Manager, St-Donat

Traceability issues: As production and shipping data was manually entered on a daily basis with no possible control, it could lead to situations where the bakery produced 1,000 pies from one batch per day and shipped 1,500 without tracking the discrepancy.

Audits difficult to perform: As part of its LFSC22000 certification for food safety, not all products could be traced during the annual recall exercises performed by St-Donat.

In light of these challenges, the bakery needed to take a clear direction in its digital transformation in order to pursue its growth and its quest for new markets:

Solution: Selecting the best ERP system for a fast-growing family bakery

The use of an Enterprise Resource Planning software focused on 3 objectives for St-Donat:

- Centralizing all the bakery's data to easily access relevant information.
- Reducing cost and maintaining margins due to better visibility.
- Revising the company's operational processes by simplifying and improving their structure.

Defining the budget and the team

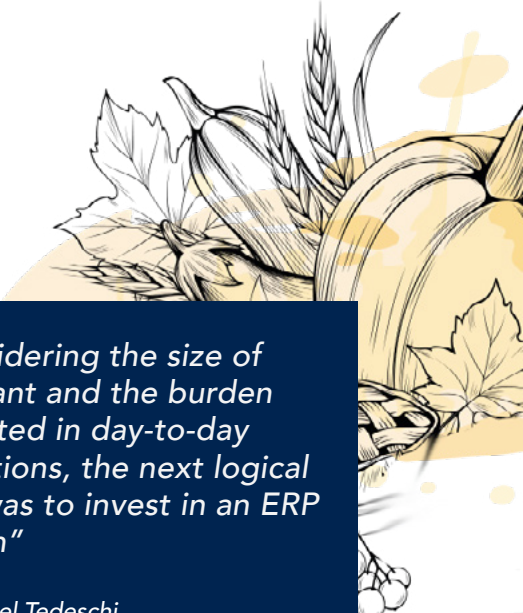
With their new objectives in mind, St-Donat bakery set a budget of 350,000 dollars to launch its project and set it on the right path. The company was able to respect this new budget, as it received financial aid from MAPAQ and Investissement Québec. **"With all the subsidies, we got a little less than half of the planned budget"**, estimates Emmanuel Tedeschi.

The hiring of a dedicated project manager to lead the implementation of the ERP system was also part of the plan. **"We thought about hiring people other than me to support the team. In the end, we managed to get by with the crew we had on board"**, Emmanuel explained.

Dealing with many constraints

With the help of a consultant, St-Donat soon listed all the constraints that the bakery had to take into account when choosing an ERP partner:

Multiple warehouses: It was essential that the ERP system could connect to all storage facilities, including a primary one, where all orders are prepared and shipments leave.



"Considering the size of the plant and the burden it created in day-to-day operations, the next logical step was to invest in an ERP system"

Emmanuel Tedeschi
ERP Project Manager
St-Donat



Handheld computers for distributors: This system allows them to invoice directly in- store and connect automatically with their software. It was vital for St-Donat that the ERP system worked seamlessly with the handheld computers.

Comply with FSSC standards: St-Donat would have to find an ERP that takes these standards into account, or provide traceability.

Outdated computer equipment: The bakery's IT equipment was also becoming obsolete, and the digital transformation should provide an opportunity to upgrade it.

Choosing the ERP

4 ERP candidates were reviewed by St-Donat: 2 were local companies - including Fidelio - and the other 2 were international. Fidelio Cloud ERP was finally chosen for the following reasons:

- **Expert:** Fidelio is specifically designed for small and medium-sized businesses from the food & beverage industry.
- **Web-friendly:** Fidelio offers web functionality, allowing access to the software from the cloud.
- **Traceability and batch management functionality** is included with Fidelio.
- **Connected to the ecosystem:** Fidelio is able to connect to the ecosystem of the bakery's deliverers (3PL), and has proven this through a successful experience with another agri-food company, [La Petite Bretonne](#).
- **Flexible:** Fidelio has the option to add new functionalities on demand. For example, scanners and tablets were set up in the plant and integrated into the system during implementation.
- **Simple:** Fidelio has a modern and intuitive interface, which makes it easy to use and reduces the time it takes to train new employees.



Implementing the ERP system

In order to facilitate the transition of the ERP system, Emmanuel Tedeschi tried to understand how St-Donat's operational processes were managed by Fidelio: **"we tried to model our processes on what the ERP offers and it helped us a lot to simplify them"**.

The team then tested Fidelio at all levels, from accounting, production, and inventory management. Thorough testing was done to avoid any surprises at launch.

Lastly, in their quest for a smooth transition, Emmanuel and his team decided to divide the project into 3 phases:

- **April 2021:** integration of sales, purchasing, accounting, and part of inventory management.
- **Ongoing:** integration of production, inventory transfers, and work confirmation processes.
- **End of 2022:** integration of payroll, pay and production expenses.

Throughout the entire process, Emmanuel was keen to ensure that all employees were well trained in the use of Fidelio. The result was a success: **“I was surprised by the older staff, who I found really receptive to this change. I think everyone was looking forward to Fidelio coming in and helping them with all their daily tasks”**, observed Emmanuel.

Results: Time saved, improved traceability and instant global visibility

At the end of the day, Fidelio allowed St-Donat Bakery to automate 4 major processes:

Invoicing and orders: While orders used to be processed manually by an employee, Fidelio’s automatic sorting has reduced order processing time from 2.5 hours to 5 minutes per day. This is also true for invoices that are now imported directly into Fidelio. These 2 automations have freed up the work of a full-time employee.

Traceability and audits: Before Fidelio, production and shipment data were manually entered into Excel files. Today, this data is automatically captured by Fidelio and reported in inventory which makes it impossible to ship more pies than available in a batch. **“The product recall exercise now takes three times less time and our first audit since Fidelio went very well unlike the previous ones”**, said Emmanuel.

Inventory: Until now, inventory validation could only be done once or twice a month. Today, the automation of invoices and transfers are directly reported in a permanent inventory. This saves time, reduces errors, and provides global inventory visibility at all times.

Work confirmation: To make the pastries, St-Donat’s employees previously had to go to the stockroom to get their ingredients and manually enter the quantity used for each ingredient into the system, following the bakery’s recipes. Now using Fidelio, only one person is responsible for getting the ingredients. As for the rest of the team, they only need to confirm the quantity they are using to follow their recipe on Fidelio.



Fidelio has also proven to be an asset in solving other challenges

Labour shortage

- Fidelio's process automation **reduces the time and number of employees** needed to complete tasks.
- Fidelio also **facilitates the training** of new employees and makes tasks globally **less repetitive** and more **rewarding**.

Pandemic

- **Remote-working is now facilitated** thanks to an ERP SaaS Cloud system, allowing employees to access their data remotely.
- Fidelio also enables **simplified communication** across the company.

Supply chain challenges

Fidelio provides regular **monitoring of raw material costs**, allowing St-Donat to easily adapt its pricing policy.

Better customer service

Real-time inventory tracking allows the bakery to anticipate their stock levels and to always **be accurate** about the availability of their products to the customer.

What's next?

In addition to the further implementation of Fidelio, St-Donat has a robot project on the horizon: an automated system will soon ensure the transfer of pies from the oven to the conveyors, filling 3 vacant positions.

Automation will also be used in quality control: a system will analyze the appearance of the pies to identify products and reject them according to pre-established criteria.

Are you a manufacturer or a distributor?

To find out more about the various functionalities and flexibility of the ERP. Fidelio system, contact us or visit our site www.commssoft.ca. 1 866 937-4519 • info@commssoft.ca