

NexTec quenches Milo's thirst for growth-enabling technology

Milo's Tea Company

Industry

Food and beverage manufacturing

Location

Bessemer, Alabama

System

Sage Enterprise Management

Challenge

Inventory management issues took center stage as low-tech employees' manual workarounds were continually maxed out and causing delays. Something needed to be done to address the long-standing process issues existing solutions used to solve. As an international food and beverage company, expiration date requirements were causing major concerns as a result of existing technology's inability to reconcile timestamps through time zone conversions.

Solution

Having outgrown their current system completely, the need for a true technology partner to assist Milo's Tea through the transition to a modern Enterprise Resource Planning (ERP) package could no longer be avoided. A purpose-built, customizable ERP was needed to be able to meet operational demand. NexTec's customer-focused culture and innovative, easy-to-use support channels made them a perfect fit for the Milo's Tea transition to Sage Enterprise Management which is capable of handling specific food and beverage manufacturing complexities.

Results

- Long-term, customer-focused manufacturing ERP partnership
- Large-scale overall automation
- End-to-end inventory management
- Scalable system to handle Milo's growing needs
- Ability to manage expanse of data collection for decision-making
- International time zone conversions
- International multi-currency support
- Full transparency, visibility, and traceability for compliance
- Seamless accounting and production integration
- Process efficiency through increased capabilities
- Usable, collaborative support channels

Darlyne Hagood has been a part of the Milo's Tea Company experience for over 20 years and knows first-hand of the struggles felt by the family-run operation as it transitioned to the international food and beverage company it is today. As the Director of Administration, Hagood oversees much of the day-to-day production of Milo's Famous Teas, which is sold primarily throughout the south and southeastern United States. Originally founded as Milo's Restaurant Services in 1980, the company began selling Milo's Famous Tea to Birmingham, Alabama grocery stores in one-gallon jugs in April 1989.



Year: 1946 Milo's Hamburger Shop opens in Birmingham, AL.

The Milo's sweet tea story

The original Milo's Sweet Tea story really begins as a Milo's Hamburger story, a Birmingham, Alabama fast food chain restaurant founded by Milo and Bea Carlton in 1946 after Milo returned from World War II. The chain, with 20 franchised locations, was best known for its secret-recipe hamburger sauce and, of course, for its Milo's Famous Sweet Tea. Their philosophy was simple – using high quality, natural ingredients, they would never sacrifice taste and always listen to their customers.

Case Study: Milo's Tea Company



Customer love fuels growth

Having shared in their journey since 1996, Hagood knows better than anyone that Milo's was not just a small, family-owned business that cared about their products and customers and that quality and service was at the heart of their ethos. Hagood is responsible for data management, technical systems and Milo's overall network. She is proud of the customer loyalty that Milo's has cultivated and enjoyed over the years, due in part to her team's hard work.

The customer love for Milo's fostered growth for the tea manufacturer. As orders were up, so were the occurrences of problems and delays. It's a familiar story. Milo's Tea company, having been hit with growth at a pace faster than their technology could keep up, employed the best tools available to them at the time. This often involved inventive, complex, and home-grown strategies that in the end achieved a goal. They were manual workarounds, but were the most efficient ways to get things done at the time.

Overtime the workarounds were no longer cutting it. Inventory management issues were becoming a major factor and causing delays. Existing technologies helped with accounting functions but did very little to address the specific concerns of a food and beverage manufacturing company. "It did not handle cost of goods sold, didn't move money for raw materials or consumption," Hagood laments, "It was too much to keep up with manually so we knew we needed a full-blown solution, one that

supported our plant operations as well as our accounting needs."

Conversions

"Remember, one company may have operations across the globe, so to do business beyond borders you have to be able to manage the conversions needed for those transactions," Hagood states. The absence of automated time and currency conversions as Milo's began to make its way into the international food and beverage markets meant even more workarounds were needed. Expiration dates of perishables required employees to perform manually calculated conversions for items coming from or going into international markets. "It left a lot of room for error and became time-consuming," she recalls.

Having enjoyed low staff turnover over time meant employees using these workarounds had grown accustomed to doing things the way they'd always done. "We had a plant that had never seen a computer before," Hagood chuckles. "They had been doing everything manually for so long and, while they were all for the transition to automation, they needed encouragement that they would be able to learn new technology."

Why they selected NexTec

"We outgrew the system we were using and we knew we needed a modern manufacturing ERP system," Hagood recalls. "There was so much data that wasn't being utilized." Hagood assembled a team of five hand-picked professionals within the Milo's Tea organization to begin the hunt. "In the end, we chose Sage Enterprise Management (formerly Sage X3)."

"We met NexTec Group at Sage Summit in Chicago and we had just gone live. We were still going through the transition, getting all the bugs worked out," says Hagood. "They seemed very interested in what we were doing and how we did it and offered a lot of solutions for us."

"We knew we needed a technology partner that would be able to understand our technology limitations and the learning curve that our staff would need to go through."

Darlyne Hagood, Director of Administration, Milo's Tea Company

Benefits

From the beginning, the goal for Milo's ERP implementation has been overall automation to improve efficiency. Hagood shares one of the most useful features has been Sage Enterprise Management's time zone conversion and multi-currency support. "Having to manage those conversions manually left a lot of room for error and with time zone conversion, it's particularly important if you're producing a perishable product."

The Milo's Tea staff have also taken to the new technology. "They were open to automation from the beginning. We had some challenges but NexTec was there to help us along the way."

Hagood recognized getting the most out of their technology would be a time investment, too. "Sage Enterprise Management is very flexible and highly configurable so most of our needs are met with standardized features," she reports, "so it will be really well-supported for the long term. We won't have to worry about supporting custom-developed capabilities."

Case Study: Milo's Tea Company

NexTec project management and communication is a game changer

Beyond technology and systems expertise, Hagood realized NexTec had the customer-focused culture that she believed her staff needed to remain confident using these new technologies. Having adopted a particularly innovative way to keep their lines of communication open and transparent, NexTec added Milo's team to their third-party project management and team communication application Basecamp, giving Milo's staff a comfortable, chat-like form of support handling often used for remote teams.

"What we love about Basecamp is when you post your issue it is seen by all the NexTec consultants and development team. If you have any kind of issue," she claims, "the solution comes from a collaboration of people from NexTec. We had such a good experience from NexTec's Basecamp collaboration process that we wanted them to help us upgrade to the next version. Basecamp is a real differentiator for NexTec and of high value to us."

What's next

"Sage Enterprise Management is increasing our growth capacity," Hagood reports. When asked what's next for Milo's Tea Company, she claims, "We're trying to use the capabilities of NexTec and Sage Enterprise Management as much as possible and to help us be automated across the board." She goes on to say, "We've done business process flows, but this time we identified all the areas we could add automation and prioritized them. Our focus, now, is to automate the areas where we can get efficiency gains."

"Sage Enterprise Management is increasing our growth capacity."

**Darlyne Hagood,
Director of Administration,
Milo's Tea Company**

About NexTec Group

NexTec Group is an award-winning business software consulting firm with over 24 years in the food industry, helping companies streamline food safety processes and ensure compliance. We specialize in implementing ERP, CRM, BI, Cloud and On-premise solutions that can manage product recalls and customer issues, track products, reduce food waste and improve operations. Contact us for a demo at nextecgroup.com/foodbev.

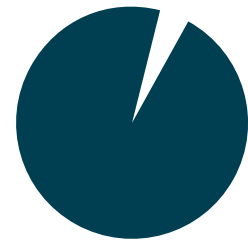




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