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Gudrun Tastes the Sweet Smell of Success with Preactor



Chocoladewerken Gudrun is based in Lier, Belgium although they originally started as a family business in the nearby village of Wommelgem. Gudrun is now one of the most well known producers of premium chocolates along with other companies such as Godiva, the market leader, in the “pralines” and truffles market. Gudrun also has a factory in Herentals, Belgium where truffles are produced. The company has around 120 employees and an annual turnover of 22m Euro.

Due to the seasonality of demand and intensive labour content in production Gudrun also adds around 60 temporary staff during peak periods as well as working with five so called “beschutte werkplaatsen” or “sheltered” workshops.

Mission & Strategy

Gudrun’s mission is to be the market leader within the upper part of the “pralines” and truffels market. Belgium has traditionally been the world market leader in this market and Gudrun has been at the leading edge for many years. The credit crunch in world markets has forced Gudrun to reduce capacity in the last year or so but took the decision to invest now in technology that could support substantial growth when the market recovered. In its strategy Gudrun decided to focus on the so called “Private Labels” and bulk delivery to bakeries.



Some of the the world famous Chocoladewerken Gudrun products

Gudrun currently is second only to Godiva, the market leader, however it is important for them to to maintain its position over other manufacturers such as Baronie, their closest competitor.



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Planning System Requirements

For Gudrun, according to Rene Blommaert (Logistic Manager Gudrun) and Bart Lemmens (Business Unit Manager Packing), they had initially three important reasons to start the search for a new system to support the production planning system in a more sustainable and flexible way.

Firstly they wanted to reduce their dependence on the heavily customised systems currently in place and the deep knowledge of individuals supporting them. Secondly they wanted a new system that would lead to cost reductions in the planning process and ensure that two members of staff could handle all the requirements. Lastly they wanted a tool that would produce consistent and predictable results that the company could rely on.

Within the production process and its underlying planning and scheduling requirements there are many factors that make scheduling production quite complex. The first factor is related to the relatively high number of different end-products each with different component materials. The second factor is the relatively small batch size which are spread across four production lines, three in the Lier factory and the other in Herentals. Each has their own shift pattern in the morning and afternoon. The third factor which influences the planning process is the priority of the sequence in which the production orders should run. Taking all these three factors into account it is easy to understand the necessity to have a process in place which can be managed in a more flexible and faster way.



So the requirement was to have a tool which would provide both management and other users of the production plan with a more reliable and a easier to use and understand plan which could explain and visualise the impact of the different factors that influence the plan.

The priority in the sequence of production orders were defined by Gudrun as follows:-

1. The first priority is an evenly balance the number of persons required on a daily basis including the input per line and shift (morning/afternoon). This balance should be as flat as possible giving the potential cost impact.
2. The second priority is to prioritise on product group.
3. The third and final priority is to prioritise on product family where possible.

In parallel with the selection of a new advanced planning system Gudrun was also looking into an upgrade of their ERP system (Axapta) to Microsoft Dynamics AX. Gudrun started the selection process for a new system at the end of 2007 with the objective to fulfil all the identified requirements including the earlier mentioned criteria.



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At the beginning Gudrun staff carried out the process independently. During the selection potential candidates were selected such as Objectiva, Preactor and others. Gudrun finally decided to choose Preactor on basis of the identified selection criteria that fulfilled the required functionality, planning criteria and the fixed budget defined. Gudrun pointed out that their decision was primarily based on price which lead to a final decision to implement Preactor 400 APS.

Implementation process and Go-Live of Preactor at Gudrun



Once the final decision to implement Preactor at Gudrun was made they started in mid 2008 together with Evologics as the implementation partner. The first implementation phase was finished in October 2008. The Go-Live phase of Preactor started in 2009, but Gudrun decided not to go live with the full scope of the application until production volumes returned to normal and the solution could be tested with all constraints tested to the full. Therefore the final stage has not yet been reached.

And the future? Currently the project plan involves a testing and optimization phase to identify further improvements to the scheduling model followed by some further integration to other legacy systems as well as other production processes. This will include the factory at Balcomar so that additional cost savings can be made. These steps are not yet fully planned and formalised with respect to the final start date and lead time. This is mainly due to the uncertainties in the economic situation. Both Rene Blommaert and Bart Lemmens explain their willingness in a fast and successful completion of the full implementation of Preactor within the Gudrun organisation.

In summary Gudrun has made the first steps into an improvement process for the quality and reliability of their production planning process. Gudrun has the intention to quickly move to their final goal and I would like to wish them much success in achieving it.

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