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Cereform begins roll-out of TXT Demand and TXT Plan supply chain planning software

Cereform, a global supplier of ingredients to the baking industry, including bread improvers and cake mixes, icings and soya products, has just started to implement new supply chain systems through TXT e-solutions. The £55 million manufacturer, which is part of Associated British Foods, plans to complete the roll-out of new technology during the next 9-12 months in order to increase service levels on deliveries, reduce warehouse stock levels, and improve production schedules in its three manufacturing plants in the UK. One of the major drivers for initiating the project has been the increase in the number of products Cereform sells to an international market, it said, and that the existing spreadsheet planning system was not capable of supporting the level of complexity it required.

"We intend the new system to support the potential opportunity for more growth, both in the UK and Europe, as well as to support our drive to increase sales of bakery ingredients around the world," said Terry Webbley, IT project manager at Cereform. Webbley commented that the incumbent ERP system wasn't developed enough for materials management and demand forecasting, so it needed a specialist system geared more towards the high speed of service in the food industry.

"Beforehand, the supply chain planning team had to work using spreadsheets and they spent ninety per cent of their time manually number crunching, for ten per cent benefit," he said. "TXT offers a best-of-breed solution with easy integration to other systems, so we can manipulate a plan instantaneously and review results by exception, rather than a mass of unfathomable data. This means that we can re-engineer our business processes to make them more efficient."

TXT's software uses historical sales data to project forward and come up with detailed manufacturing plans, by taking into account various constraints like shelf life, labour and machine capacities. As a result of better visibility across the business, Cereform anticipates improved production in tonnes per hour by reducing the number of changeovers and the need for overtime and temporary labour. The company also expects better utilisation of vehicles and therefore a reduction in distribution costs. Other benefits cited include reduced stock loss from spoilage and out-of-date products, and improved purchasing of goods through a combination of improved sales forecasting and more accurate data to buy raw materials in advance at more competitive rates. Webbley said that it chose TXT from 'an extensive vendor selection process' because of its reputation as forecasting and planning specialists and its work with other food companies like Cadbury Schweppes and Weetabix.

TXT e-solutions (www.txt.it) international player specialised in strategic enterprise solutions (SES) and related proprietary software, in particular for Content Management and for Demand & Supply Chain Management. Listed in the TechStar and All Stars segments of the Milan Bourse (TXTS and TXTMI), TXT employs some 500 professionals. TXT has its registered HQ in Milan and offices in Genoa, Turin, Vicenza, Bari, Naples, Rome, Paris, Lyon, Barcelona, Chemnitz (Dresden), Halle (Leipzig), London and New York.

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