



Salient Manufacturing

Oasis Foods Company

Oasis Foods Company Experiences Growth and Higher Profits with Margin Minder®

Overview

Oasis Foods Company is a New Jersey-based manufacturer of edible oils and related products: margarine, mayonnaise and salad dressings for the food service industry.

Industry

Manufacturing

Geography

From Maine down the entire eastern seaboard to Florida, with some penetration in Texas and Ohio

Challenges

Oasis' corporate objective was to improve the company's sales performance by improving the quality of sales and marketing-related information throughout the selling system.

Solution

Margin Minder by Salient Corporation

Oasis Foods Company is a New Jersey-based manufacturer of edible oils and related products: margarine, mayonnaise and salad dressings for the food service industry. They market about 2,500 SKUs from Maine down the entire eastern seaboard to Florida, with some penetration in Texas and Ohio. At Oasis, every department cross-functions on major initiatives. "We make sure every department is focused on whatever our objective is at the particular moment, whether it's sales, marketing, production, etc." says Allen Savasta, who has experience in both marketing and finance with the company.

The Problem

In February 2000, the Oasis corporate objective was to improve the company's sales performance by improving the quality of sales and marketing-related information throughout the selling system. While the company was satisfied with its data-entry systems, Savasta explained:

We knew we needed much more specific solutions for certain areas of our business, including sales, transportation and production, among others. We needed a specialized tool for marketing, at the time, but one with applications in other parts of business as well. We needed something that would allow us to look at our business in many different ways.

The Solution

That's when Oasis crossed paths with Salient Corporation, developers of a common solution in the CPG industry. Oasis Foods made the investment in a strong starting place that Salient recommends for profit and growth management: Margin Minder® advanced performance management. Margin Minder® collects data from currently-existing sources and brings it together in a coherent way. Graphical views of the business and marketplace give managers the transparency to see what's happening at every level of the business, from every perspective, and spot problems and opportunities. The amount of detail provides managers with the control needed to evaluate performance, make adjustments and continuously improve.



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Competitive Advantage

Allen Savasta explains why Margin Minder® is the right choice for Oasis, as part of a fast-changing industry:

In any competitive environment – and certainly the food manufacturing arena fits that description – you must have quality, actionable information, and you must have it immediately if you are going to stay ahead of the curve. The business is changing too rapidly for us to rely on outdated information. One of our sales people now may have 200 customers, and we've probably introduced 500 to 600 new products in the last year and discontinued maybe a couple hundred during that same span. The shelf life for a product in this business may only be one or two years. You cannot conduct business like that on a handshake. We have to be able to get new products to market in a hurry, and then just as quickly we have to be able to determine if the product is going to be successful. We have to identify its strongest niches and be able to specifically market it to those areas. We can't do that without Margin Minder® any longer. The information needs to be extremely detailed.

The Margin Minder® data is instantaneous and comprehensive, stresses Savasta, which allows users to quickly spot sales and product trends and assess new items by any “cut” of the business, “including by market, by customer, by sales person, or any other way we want to see the business.” With that information, over virtually any period of time, managers use Margin Minder® to look at “like-type businesses and/or markets” where a product would have the best chance of succeeding:

We can focus on the market segment by segment. We can test a product in the areas we think it will most likely succeed and then roll from there. If it is not successful in the high-potential areas, then it's probably not going to succeed anywhere else, and we waste very little time and money figuring that out. It's a great tool for interactive scorekeeping, and it keeps us from making expensive mistakes.

The Conclusion

While Margin Minder® was originally procured by Oasis to fulfill a specific need in the sales and marketing group, but it serves very valuable purposes for other departments as well. The production department relies on the tool to look at historical production trends – by period or by product – to establish current schedules and project future capacity. Transportation is using Margin Minder® to review customer buying patterns so department managers can schedule more full truckload deliveries, which are more cost effective than less-than-truckload (LTL) deliveries. “If they are close to filling a truck, they may find a customer in the area of the delivery that is due for a re-order, and bring it to the attention of our sales person so that we can fill the truck,” explains Savasta.

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–Allen Savasta
Director of IS
Oasis Foods Company



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Savasta says that the company's increase in gross profit has paid for Margin Minder®:

Being able to track the numbers the way we do with the Margin Minder® system has enabled us to improve our margins in certain areas, and that's been difficult for us to do because we are mainly a commodity-driven business. But being able to see that information has allowed us to improve our overall gross profit a little, and that has certainly been enough to cover the cost of Margin Minder®. However, that's not really what we focus on at Oasis. Maybe because we are in such a growth pattern right now, we look at our return on investment in terms of the growth we are going to be able to achieve and manage with the tools we acquire. That's how we look at the Margin Minder® system. We knew we needed this tool to achieve our growth objectives, whether we could quantify a payback or not. We have paid for the system, no doubt, but that was not our main focus. We see tangible results. It is absolutely quantifiable.

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*–Allen Savasta
Director of IS
Oasis Foods Company*

About Salient

Salient Corporation makes very large scale in-memory intelligence technology for ad hoc data interrogation, visualization and root cause analysis. The company provides continuous audit, performance monitoring and forensic applications for business, health care, education and government.

