



TCHO Chocolate

ACHIEVES SWEET PLANNING SUCCESS WITH DEMANDCASTER

Increased Visibility and Insight Prove to be the Right Ingredients to Improve Deliveries, Increase Production, and Reduce Stock-outs

TCHO Chocolate makes everything better simply by making better chocolate. Their line of artisan chocolates includes a broad range of products—everything from chocolate nibs used in baked goods, coffee, beer, and ice cream to specialty bars sold to grocery chains, restaurants, and direct to consumers. TCHO sources ingredients ethically, treats growers fairly, and focuses on preserving the land. Making chocolate the TCHO way results in a better tasting chocolate you can believe in. The company's approach has created raving fans and high demand.

“We really needed a good supply chain planning system, so we could more effectively manage and execute our orders. And what's great is that DemandCaster gives us what we need in a way that works well with our NetSuite system. Today we get the best of both.”

Janet Poeschl, Sr. VP of Supply Chain and Innovation, TCHO



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Challenge

Long lead times and a limited shelf life challenge TCHO Chocolate to carefully plan every step in its supply chain well in advance—from sourcing their cacao beans to packaging the delicious end product.

Solution

NetSuite provides a scalable and flexible ERP platform for operating the business as it grows. DemandCaster facilitates more effective demand and supply planning for TCHO’s product families.

Results

With the help of NetSuite and DemandCaster, TCHO is reaping the benefits of a more proactive, agile, and proficient supply chain and establishing a solid foundation for lasting sweet success. Since implementing the joint solution, the company has reduced critical out-of-stock items four-fold and improved on time in full shipments (OTIF) by nearly 20%.

Managing Fluctuating Demand

Making better chocolate requires a lot of thought and planning. It can take more than a year for TCHO to receive manufacture-ready cacao beans from growers once it places an order. And, since the chocolate it produces has a limited shelf life, ensuring the freshest inventory is a top concern. The company needs to carefully plan every step in its supply chain well in advance—from sourcing the beans to packaging the end product. To do so, TCHO invested in the NetSuite ERP platform. The platform delivered considerable functionality and tremendous flexibility, but when it came to tracking and managing fluctuating demand, the company struggled.

That was definitely the case when Janet Poeschl, Senior Vice President of Supply Chain and Innovation, came on board in 2016. “When I first started, TCHO was setting the production schedule only a week or two in advance, which was highly reactive to customer demand.” As a result, the company experienced stock-outs and lower service levels, which put customer retention at risk. Poeschl recalls a customer telling her, “If this isn’t improved, we are not buying from you anymore. We love your chocolate but you can’t guarantee good service.”

Effective Inventory Management Turns Service Around

Poeschl knew she needed to a supply chain planning solution with a strong ability to manage material requirements planning (MRP). “I needed automated MRP. I needed the ability to explode the bill of materials so that our purchasing team would know what raw material to buy and when.”

She found the functionality required in DemandCaster, a highly adaptable cloud-based planning solution that connects demand to supply. “DemandCaster has really helped facilitate more effective inventory management for our product families. We can look at our items and compare them to customer orders or what is forecasted so our plant operations can be more proactive with production instead of reactively responding to customer orders.”

Transforming Productivity with Two-Way NetSuite Data Integration

In addition to strong MRP, Poeschl was also looking for a solution that fully integrated with NetSuite in order to power up productivity. The legacy planning solution she inherited could receive data from NetSuite, but it was not capable of generating work orders to send to NetSuite. Instead, she had to create them manually, a very time-consuming process.

Using the two-way integration in DemandCaster, Poeschl can now seamlessly pull data from NetSuite and push work orders out to production in one seamless, streamlined process. “We really needed a good supply chain planning system, so we could more effectively manage and execute our orders. And what’s great is that DemandCaster gives us what we need in a way that works well with our NetSuite system. Today we get the best of both,” says Poeschl.

A Sweet Winning Combination

The combination of DemandCaster and NetSuite has paid off for TCHO. Since the addition of DemandCaster, the company has reduced critical out-of-stock items four-fold and finished goods’ days of supply (DOS) by 63%. TCHO has also been able to boost on-time shipments by 20% and increase production by more than 50% while maintaining or exceeding a 98.5% service level.

TCHO

Company Snapshot

Company: TCHO

Location: Berkely, CA



Company Snapshot

Partner Name: DemandCaster

Location: Troy, MI