



## Project Marlin

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## Project Marlin

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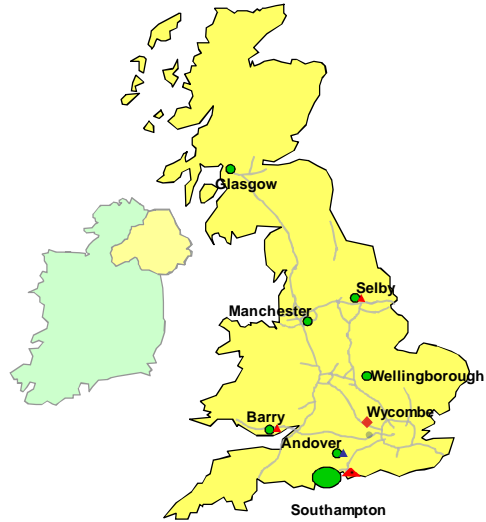


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## Rank Hovis

	RH	Soton
Wheat Tonnes used per annum	1,200k	300k
No. of finished flours	230	187
No. of SKUs	350	175
Bulk/ Bag	75% 25%	40% 60%
No. of customers	900	400
Specialist processes: - Packing (units per wk)	295k	200k



## The Cereal Chain From Farm to Fork



- Ø 4 major seed businesses.
- Ø 120k registered farming businesses
- Ø Circa 120 trading companies
- Ø 60 mills
- Ø Quality
- Ø 50% farm saved
- Ø 30k serious Arable enterprises
- Ø A range of ownerships / corporate structure
- Ø 31 businesses
- Ø Food Safety
- Ø 25-30 million tonnes of annual cereal production
- Ø Central storage increasing
- Ø Virtually no flour exports
- Ø Good Value
- Ø Various contractual arrangements
- Ø Servicing a number of markets and customers
- Ø Guardian of the food chain
- Ø Service
- Ø Assurance



## Customer Perspective

- **High Service Expectations – The Perfect Order**
  - Order processing
  - OTIF – On Time In Full
  - Invoice Processing
- **Food Safety**
  - Meet legislative requirements
  - Meet our own Corporate Standards
  - Pass all audit systems including HACCP
- **Quality**
  - Right Customer Specification
  - Consistency
  - Technical support - NPD (New Product Development)
- **Good Value**
  - Building partnerships – Collaborative, integrated, value driven solutions
  - Business growth – Gaining competitive advantage
  - Investment

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## Rank Hovis - Southampton

### Background

- Rank Hovis has been improving the supply chain to their customers for the last 15 years achieving 99% On Time In Full
  - In store bakeries now collect their own stock from mills
  - We manage large bakery bulk stocks
- Similar changes within Hovis Bread Bakeries, matched by growth in Hovis
- Southampton has received investment in 4 key areas: G Mill, Packing, Germ Cooking and E/F Mill Germ Recovery
- Southampton accounts for a quarter of flour milling, half of bag packing and all germ cooking within Rank Hovis
- We have over 300 vehicle movements at Southampton per day

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## Rank Hovis

### Business expectation

- Interruptions in wheat, flour and germ supply will be minimised to ensure excellent customer service is maintained
- Safe, Quality Output will be maximised at all times
- Best Practice demands improved asset care leading to reduced waste of product, time and energy.
- Improve Farm to Mill Supply Chain

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## Our Commitment to Marlin

- Rank Hovis wanted to be in from the start
- Identify to the industry that Rank Hovis flour mills have evolved into Food Factories with well developed relationships with our customers
- To identify the inefficiency within the Wheat to Mill Supply Chain
  - A number of improvement schemes tried on site before
  - Requires a collaborative approach from the 4 stages:
    - Farm
    - Merchant
    - Haulage
    - Mill

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## Our Commitment to Marlin

- Help to understand and collate the large amount of industry research that has taken place in recent years
- To identify if this improvement can be put into commercial use
- Demonstrate the benefits of developing a collaborative approach to identify the non-value added activity within the wheat side of the cereals supply chain and set clear objectives for improvement for all concerned.

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## What next for Rank Hovis?

### Project Swordfish

- Extended 3 month trial similar to the 2009 pilot from 8<sup>th</sup> February 2010
- Brief all farmers, merchants and hauliers for awareness, buy-in and support
- Realise the possible commercial benefits to the industry
- Brief the industry of the results at the end of the trial

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