Customer Case Story:
Yum! Brands, Inc.

A Single Point of Truth

Yum! Brands, Inc. is the world's largest restaurant company in terms of system units with more than 39,000 restaurants in more than 125 countries and territories and 1.4 million associates. Yum! is ranked on the Fortune 500 List and last year, generated more than $13 billion in revenue. Brands, including KFC, Pizza Hut and Taco Bell, are the global leaders of the chicken, pizza and Mexican-style food categories.

In 2008, Yum! Australia decided to replace its Microsoft Excel spreadsheet based supplier and product system. Information provided by suppliers was keyed into the spreadsheet, but with between 18 and 30 new recipes added or updated each month – each containing from 5 to 15 items - the system was no longer viable. "We knew that the existing system had the potential to introduce errors at virtually every stage of the process," explained Angela Cooper, KFC Consumer Information & Nutrition Manager - Food Innovation & Technology. "As well as not being certain that all of the information provided by suppliers was accurate and up-to-date, the process of rekeying information could also introduce errors, making it difficult to run searches and manage information."

The problem was exacerbated because multiple suppliers were often used to provide raw materials. Cost of materials with the need to comply with emerging legislations and provide product information on nutrition, allergies, etc. at the point of sale, lead to the decision to implement a recipe management system.

> "With our new system and the information that it delivers, we now only have to analyse the cooked elements of the product, and have seen an almost immediate 10 to 20% reduction in our clinical analysis requirements, with corresponding savings in costs."

Angela Cooper

Consumer Information & Nutrition Manager - Food Innovation & Technology, KFC

Automating the Processes

"We had a number of objectives, but our major requirement was for a solution that would provide a single point of entry for all information, and which would deliver a single source of truth," continued Angela Cooper. "We also planned to interface the new system with our financial applications and require our suppliers to provide product information via PIFs which in turn had to be automatically uploaded to our new central database."

The Benchmark

"We needed a recipe management solution that was capable of meeting our international requirements, as well as providing the specific capabilities we needed to comply with anticipated future legislation," continued Angela Cooper. "We discussed the issues with colleagues across the industry and the overriding recommendation was for Recipes and Specifications by Hamilton Grant, which was widely regarded as the benchmark against which all other solutions were measured."

FOODCHAIN ID ®

Customer Case Story:
Yum! Brands, Inc.

Satisfied that they had found their recipe management solution of choice, KFC Australia implemented Recipes and Specifications by Hamilton Grant, which is being closely monitored by the U.S. parent company – Yum! Restaurants International – as this comprehensive solution may have potential to be rolled out across its other international business operations.

Accountability and Compliance

Now live, Recipes and Specifications is surpassing KFC's expectations. In addition to reducing costs, the new system provides a single point of truth for all recipe information. Data provided by suppliers via PIFs is automatically uploaded and validated, reducing errors and placing the onus strictly upon suppliers to provide accurate and up-to-date information in compliance with national legislations. The reliability and legislated requirement for accuracy on the part of the supplier in completing the PIF is a contributory factor in KFC's audit and control processes, enabling the company to demonstrate accountability and compliance while enhancing relationships with suppliers and customers.

A further and substantial benefit has been a considerable reduction in clinical analysis. With products comprising both cooked and uncooked goods, and with multiple suppliers for each constituent part of the overall product, it was crucial that accurate information on nutrition, allergy, etc. was obtained. "Previously we had to send a complete product to the lab for analysis and have tests undertaken on all items - both cooked and uncooked," explained Angela Cooper. "With our new system and the information that it delivers, we now only have to analyse the cooked elements of the product, and have seen an almost immediate 10 to 20% reduction in our clinical analysis requirements, with corresponding savings in costs."

With the system now integrated with back-office financial applications, KFC has full visibility of all product costings and can rapidly analyse new recipe opportunities both from business and legislative compliance aspects. Future plans include the roll-out of the system across the Australian operation where it will enhance recipe development, act as a single point of truth and provide the information required for successful and ongoing growth.

Benefits

- Reliability and accuracy of information is a component part of KFC's audit and control processes, enabling the company to demonstrate accountability and compliance while enhancing relationships with suppliers and customers.

- Considerable reduction in clinical analysis in a 10 to 20% reduction in clinical analysis requirements, with corresponding savings in costs.

- Solution provides a single point of entry for all information and delivers a single source of truth, meets KFC's international requirements and provides the specific capabilities needed to comply with anticipated future legislation.

- Data provided by suppliers via PIFs is automatically uploaded and validated, reducing errors and placing the onus strictly upon suppliers to provide accurate and up-to-date information in compliance with national legislations.

- Recipes and Specifications by Hamilton Grant widely regarded as the benchmark against which all other solutions were measured.

FOODCHAIN ID ®