



Western Sugar Cooperative
(Grower Owned)



Customer Advisory Council June 13th, 2023

Richard Caluori, Director of Corporate Controlling

WESTERN SUGAR COOPERATIVE — AT A GLANCE



Annual Sales Over

\$350
MILLION

Operating in

4 STATES

Slicing capacity
per year

3.6 MILLION
TONS



5 Processing /
Packaging
Facilities

44 Beet
Receiving
Stations

7 Storage
Locations



Serving

140

Food processor, food
service and retail customers



Produce Over

10 MILLION

hundred weights of sugar
(cwts)



Over

1,000

Employees



Domestic sugar producer

5%

Market share



Over

850

Grower / Owners



1900



The Great Western Sugar Company was founded in the early 20th Century by Charles Boettcher and partners, pioneering the sugar beet industry in Northern Colorado.

1901



The first sugar mill was built in Loveland, Colorado. The Company then expanded, built and acquired several additional facilities in Nebraska, Colorado, Wyoming, and Montana.

The Great Western Railway was organized in 1901 to serve the beet sugar industry and towns in Northern Colorado. While its main purpose was to transport beets, sugar, molasses, coal and lime rock, it also operated for passenger service from 1917-1926.

1906



The Fort Morgan, CO facility was built with an original factory capacity of 600 tons per day.

Billings, MT facility was built with an original factory capacity of 712 tons per day.

1910



The Scottsbluff, Nebraska facility was built with an original factory capacity of 1,012 tons per day.

1916



The Lovell, Wyoming facility was built with an original factory capacity of 600 tons per day and the first beet campaign of 37,520 tons.

1967



Great Western was sold to Colorado businessman Billy White, who in 1974 sold controlling interest in the Company to the Hunt Brothers organization.

1985



After several years of economic struggles, the seven sugar processing plants and five storage facilities over a four-state area were purchased by British sugar firm Tate & Lyle. The Company



R2

R3

ECC6

S4 Cloud

1990



In the late 1990s, Tate and Lyle, in response to the volatile sugar market in the United States, began seeking a buyer for its sugar holdings in the U.S.

2002



On April 30, 2002, the Cooperative finalized the purchase of Western Sugar from Tate and Lyle. The Cooperative entered into a long-term lease agreement with American

Present



Today, Western Sugar Cooperative has over 850 grower/owners, plants up to 134,140 acres of sugar beets and produces over 10 million cwt. of locally



Why



?

- **Problems with ECC6:**
 - ECC6 was highly customized.
 - No documentation about customization and related ABAB coding.
 - No knowledge transfer such as SPRO, Query, etc.
 - No Functional upgrade since 2010.
 - No future support by SAP.
 - Expensive 3rd party maintenance for ECC6.
- **Solutions provided by S4 Public Cloud:**
 - Standard configuration.
 - Best practices processes.
 - Integration.
 - Regular upgrades.
 - Regain SAP in-house knowledge.
 - No on-premise servers.
 - Reinvest savings into WSC, not 3rd parties.



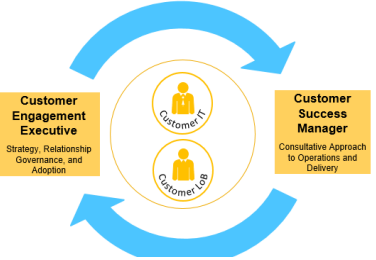
Cloud Discovery Assessment Sept 2017 Implementation start date March 2018



- Order to cash (22 scopes)
 - 40k orders
- Procure to pay (19)
 - 10k requestions, 20k materials,
- Corrective, Preventive, and Emergency Maintenance (6)
 - 40k orders, 30k technical objects
- Finance, Assets, etc. (36)
 - 30% maintenance, 20% PTP, 30% OTC, 20% Finance
- Plant transfers (2)
- Side by Side extension, Output Mgt. (3)

Streamlined Procure to Pay	Accelerated Plan to Product	Optimized Order to Cash	Core Finance	Project Services
Supplier Management <input checked="" type="checkbox"/>	Basic Production Planning <input type="checkbox"/>	Order and Contract Management <input checked="" type="checkbox"/>	Accounting and Closing Operations <input checked="" type="checkbox"/>	Contract to Cash <input type="checkbox"/>
Collaborative Sourcing and Contract Management <input checked="" type="checkbox"/>	Basic Production Processing <input checked="" type="checkbox"/>	Inventory Management <input checked="" type="checkbox"/>	Cost Management and Profitability Analysis <input checked="" type="checkbox"/>	Time and Expense Management <input type="checkbox"/>
Operational Purchasing <input checked="" type="checkbox"/>	Inventory Management <input type="checkbox"/>	Receivables Processing <input checked="" type="checkbox"/>	Treasury and Financial Management <input checked="" type="checkbox"/>	Project Management <input checked="" type="checkbox"/>
Inventory Management <input checked="" type="checkbox"/>	Maintenance Management <input checked="" type="checkbox"/>		Finance Operations > Receivables Management <input checked="" type="checkbox"/>	
Invoice and Payables Management <input checked="" type="checkbox"/>	Project Control and Development <input checked="" type="checkbox"/>		Accounting and Financial Close <input checked="" type="checkbox"/>	
Procurement Analytics <input checked="" type="checkbox"/>	Compliant Product Lifecycle Management <input type="checkbox"/>			

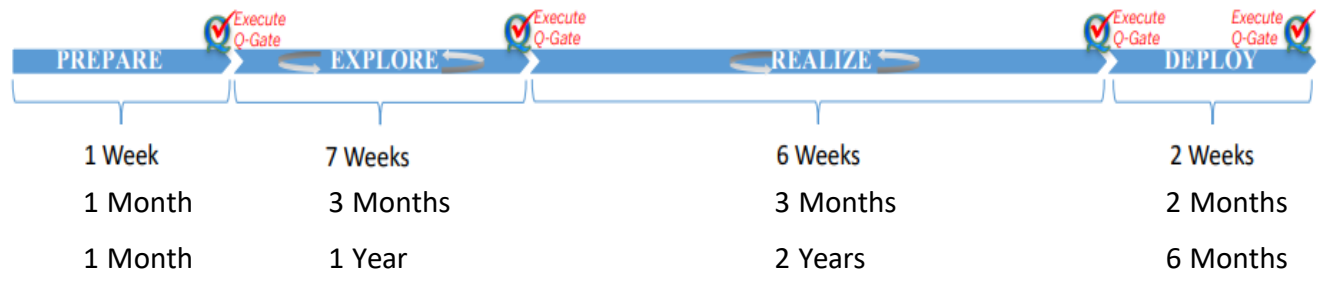




SAP ACTIVATE



Best Practices



Root causes:

1. High turnover of IP consultants and project managers.
2. The IP consultants lacked experience.
3. CEE and CSM. No Q-Gates. No Guidance. No 3-way meetings.
4. SAP/IP did not include customer's SAP experience.

Breakthrough:

1. October 2020 new CSM Michael Garvey.
2. SAP Product management got involved
3. Both, CSM and PM followed strictly the SAP S4 public Activate Agile Methodology.
4. June 2021 Customer Office got involved, which held IP accountable

Take aways:

1. Do the due diligence of the IP consultants.
2. Stick to standard configuration.
3. Change management, process changes, best practices.
4. Have Executive Team involved.
4. Assess internal IT/Configuration knowhow.

All is well what ends well.



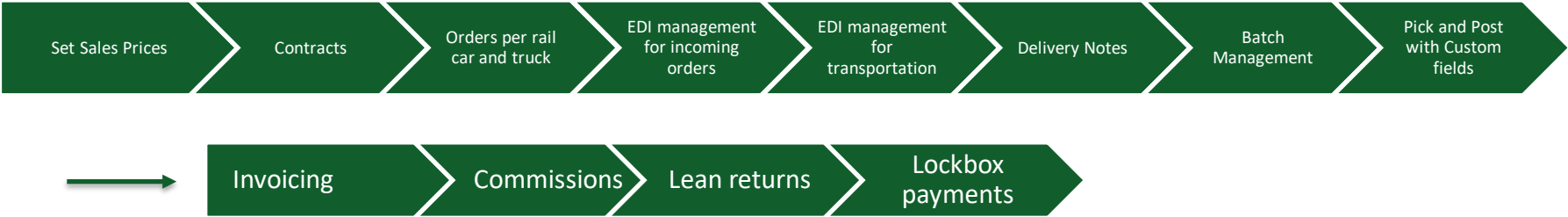


Order to Cash

Master Data:



Transactional Data:





Customs Fields



www.goldstartransportation.com

Display <-> Change | Other Outbound Delivery | Document Flow | Overview | Pack | Incompleteness | Services for Object v

Ship-to Party:  ADM RIVERGATE, 13940 N. RIVERGATE BLVD, PORTLAND OR 97203, USA

Picking | Loading | Shipment | International Trade | Financial Processing | Administration | Partner | Texts

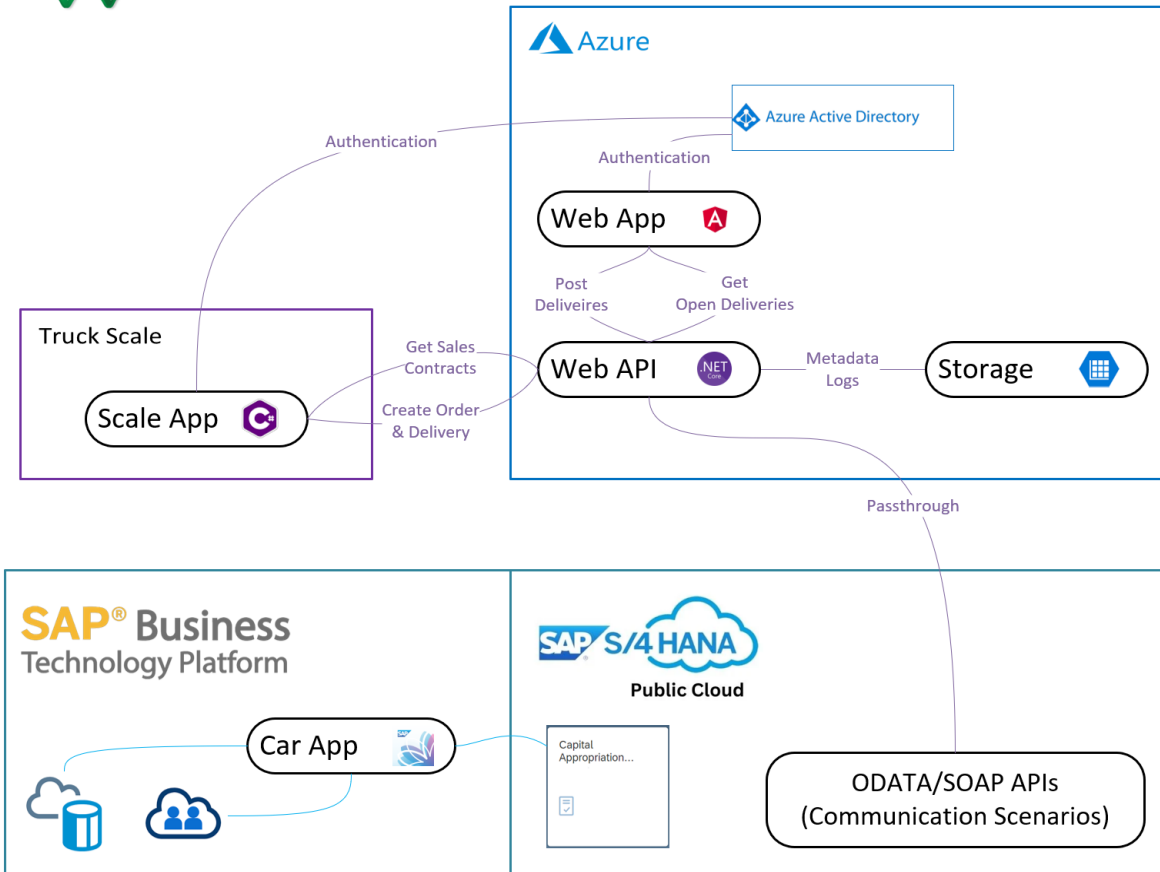
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New Solutions



The Western Sugar Cooperative
(Grower Owned)





Challenges



1. Reporting to business needs in units and \$, especially on the order and sales side.
2. Contract balances in cwt
3. Some best practices don't make sense
 - No Integration of orders in CIM and Concur.
 - Budget control of capital projects in group currency only.
 - Retirement of fixed assets in GL 2L only, which is not the standard ledger 0L.
4. Report generation takes to much time
 - Sales Volume Flexible Analysis
 - Goods Movement Analysis
 - Cost Center Actuals



Software components and interactions

What is next?

