

Heaven Hill Distilleries builds business success with an ERP backbone running IFS



Allan Latts, COO at Heaven Hill Distilleries, describes how IFS has played an instrumental role in Heaven Hill's development over the past decade to becoming a more efficient and, ultimately, more profitable company as it manages change in its business, its markets and its customers' needs.

Just over ten years ago, Heaven Hill Distilleries rolled out its first implementation of IFS.

Installing an integrated single ERP system enabled the company to quickly achieve a variety of business efficiencies, including dramatic reductions in finished goods inventory as well as reduced lead times on customer orders.

Heaven Hill is America's largest independent, family-owned and operated producer and marketer of distilled spirits, with customers in over 60 countries. With over 550 employees, Heaven Hill has two main production facilities in Kentucky, with contract manufacturing facilities in California and in France. Aging in its facilities is the second largest inventory of Kentucky whiskey in the world, with over one million barrels. This accounts for nearly 17 percent of the world's future supply of Bourbon.

Its Evan Williams brand is the second-largest selling Bourbon whiskey in the USA and around the world.

While the nature of its business has some unique characteristics, many of the business management issues the company is addressing with IFS are commonplace to manufacturing businesses everywhere, especially in the contemporary setting where agility and confident decision-making based on trusted data go hand in hand with business success.

Being more flexible, more agile

Since 2003, the IFS ERP system has given its users at Heaven Hill greater confidence in their abilities to make better decisions more quickly through being able to use the right customer and product information at the right time and in real time.

"One of the biggest challenges we faced is getting people to use data and to make data-based decisions," recalls Allan Latts, Heaven Hill's Chief Operating Officer. "IFS allows us to have access to the right information to enable employees to make those decisions."

About Heaven Hill Distilleries

Founded in 1934, Heaven Hill Distilleries, Inc., is the largest independent, family-owned and operated spirits producer and marketer in the USA, and the world's second-largest holder of Kentucky Bourbon.

Heaven Hill's diversified portfolio of brands includes Evan Williams Bourbon; Larceny, Elijah Craig and Henry McKenna Bourbons, Burnett's Vodkas and Gin; Admiral Nelson's and Blackheart Rums; HPNOTIQ Liqueur; The Christian Brothers Brandies; PAMA Pomegranate Liqueur; Domaine de Canton Ginger Liqueur; Lunazul Tequila; Cinerator Hot Cinnamon Flavored Whiskey and Rittenhouse Rye Whisky.

HEAVEN HILL
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"IFS lets us make real-time decisions about pricing, about whether to introduce products to market, about whether to discontinue products in a market," he says, highlighting the single-system advantage of the IFS platform. "The information is available, it's real-time, and it's the same set of information for the whole company to work from."

Latts notes that IFS enables Heaven Hill to be more flexible, more agile. "In our industry," he says, "consumer trends change and change quickly, due in part to the complexity of the products we make and the types of companies that we're selling to. With its product costing and formulation features, and information that lets us make lead-time decisions for purchasing, IFS has been critical in helping us be more responsive to these consumer trends."

Latts declares, "Our whole company runs on IFS; it's the backbone of everything we do. Without IFS, we would not be where we are today."

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Delivering measurable value

Sales, financials, manufacturing, MRP, demand planning, and maintenance are key business functions Latts cites where IFS plays a central role in task automation and management.

"We have saved money as a result of IFS," says Latts. "Plus we've saved money by finding places where we were wasting money."

As a result, IFS delivers measurable value to Heaven Hill, in the most part by making them smarter, says Latts.

"Smarter with maintenance where we are tracing labor time and spare parts that we put on our machines," he says. "We can use that to understand which machines are performing better than the rest and ways to make them more efficient."

Creating a new future

With an eye on its rich history—Heaven Hill has filled over six million barrels of Kentucky Bourbon whiskey since the company was founded after the repeal of Prohibition in the US in 1934—Latts surveys a business landscape where change is paramount, and where the pace of that change is increasing.

Benefits seen using IFS

- A single common ERP system throughout the company to streamline manufacturing processes
- Improving supply chain processes
- Increased business agility for fast strategic advantage
- Single customer database, single product database for a single view on the business

“Getting our people to be open to change, and to be really excited and motivated about creating a new future is something that we strive to work with in our employees every day,” Latts says.

IFS is part of creating that new future with Heaven Hill, continuing the synergy the two companies have created over a decade.

“One of the things that’s been great working with IFS is that most of the people today are the same people we first worked with in 2003,” says Latts. “It’s also a sign of how good the company is. And whether we’ve added a new plant or brought in a new business line, we know that it will work with IFS.”

Latts says he is confident that IFS will keep Heaven Hill at the forefront of technology. “As we grow, I know that IFS will be able to meet our needs,” he says. “It really is an exciting future.”

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Find out more

Further information, e-mail info@ifs.com, contact your local IFS office or visit our web site, ifs.com

