

CASE STUDY



Customer Profile

Sea to store, the vertically-integrated Fulcher family business catches, processes and prepares tasty, effortless, seafood meals under its own and third-party brands.

- Fishing and processing divisions founded in the 1940s
- Fulcher's Seafood (prepared meals) launched in 2016
- Prepared meals sold to consumers by retailers and to restaurants by distributors
- 40 to 60 prepared products
- 450 to 500 raw materials, ingredients, packaging and more
- 11 deep-sea trawlers
- 40 to 60 employees (fleets, processing, manufacturing)
- 3 locations including Fulcher's Seafood which prepares meals in Alliance, N.C.



Fulcher's Current Staff Doubles Production with Mar-Kov Batch Control

Batch control and inventory management software is beyond priceless when Fulcher's Seafood is busy meeting the pandemic-driven demand for its tasty, prepared foods and complying with stringent food safety certification requirements.

"In early 2020, restaurants shut down and our sales and production doubled in just three months — we couldn't have done it without Mar-Kov," says Chaz Fulcher, vice-president and director of operations, Fulcher's Seafood, Alliance, North Carolina. "Hiring and training at least five new employees simply wasn't an option in terms of budget or the time required."

Despite the pandemic-related supply chain challenges, customer expectations remained high through 2020 with on-time, accurate delivery playing a major role in customer satisfaction. With Mar-Kov's inventory control, Chaz knew Fulcher's would be able to meet unprecedented production and delivery targets as well as ongoing certification and compliance requirements with an increase to 10/11 shifts a week from six.

"HACCP (Hazard Analysis Critical Control Point), FDA FSMA (Food Safety Modernization Act) and SQF (Safe Quality Food) certification are a pre-requisite with 80% of Fulcher's customers," says Chaz. "If we want retailers to buy our prepared foods, we have to be certified and compliant with international, national and local food safety and quality standards."

Poor Inventory Control's Domino Effect

In 2016, Chaz and his sister Christina Fulcher-Cahoon, vice-president, research and development, launched their prepared food business with four products and relied on the pens and spreadsheets that had served the family business so well for generations. As the business grew to six, then eight and 12 items, Chaz knew it was taking too long to record, track and file information. He also became painfully aware of the potential impact if an employee missed a step, misread a number or made a calculation error.

"A multi-item manufacturing plant like ours has so much data and so many moving parts that if you miss one thing, the domino effect goes into play and you throw off everything downstream," says Chaz, who tested five different batch control platforms before committing to Mar-Kov. "By the time we had 12 items, I was stressed and ready to leave our paper system behind."

Before Mar-Kov, inventory counts simply didn't happen and as a result, late deliveries, stock-outs and short orders were an ongoing issue. Since implementing Mar-Kov,



CASE STUDY

Challenges

- Lack of inventory control creates production & delivery issues
- Poor customer satisfaction
- Inefficient batch control
- Difficult to access data/reports for food safety audits
- Inaccurate costing negatively affects margins
- 25 person-hours a week dedicated solely to batch control paperwork

Solution:

- Mar-Kov Batch Control & Inventory Management

Results:

- Accurate real-time inventory enables on-time production & delivery
- Improved customer satisfaction
- Precise, efficient, real-time batch control
- Stress- and hassle-free food safety audits
- Accurate costing boosts margins
- Zero person-hours for all batch control and inventory management with 80% more volume



employees update inventory every shift and the quarterly inventory count takes four to six employees armed with bar code scanners and tablets about 36 hours.

"We're on top of our inventory, so we're meeting production and delivery targets," says Chaz. "We're less stressed and our customer satisfaction is up."

Accurate, Detailed Data Blows Auditors' Minds

Likewise, the eight annual scheduled and random internal and third-party audits were challenging because of the time required to pull data and create reports. With Mar-Kov, it takes just a few minutes instead of hours to find out which company supplied the item, how much was shipped, when it arrived, which batch it went into, when the finished product was sent and to which customer.

Auditors love Fulcher's instant access to accurate, detailed information as much as Chaz and his team. If auditors identify an issue, companies have three to seven days to resolve it, otherwise their certification may be pulled or the plant could be shuttered.

"We can track every gram that arrived in a 20,000 lb container and that blows auditors' minds," says Chaz. "Lot tracing was the most nerve-wracking aspect of every audit and with Mar-Kov, that's no longer the case."

Like Chaz himself, employees initially resisted the switch to Mar-Kov, but within a year, they had embraced the system. Firsthand, they'd seen Mar-Kov virtually eliminate administration aggravation, audit-related stress, raw material stockouts, missed production deadlines and customer dissatisfaction.

“We're meeting production and delivery targets, so we're less stressed and our customer satisfaction is up.”

**Chaz Fulcher, co-founder,
Fulcher's Seafood**

"The data entry takes time and there is a learning curve, but it pays off," says Chaz. "The earlier you commit to a batch control platform, especially with a growing company, the less data you'll have to input and the sooner you'll get the benefits."



CASE STUDY

Fulcher's Seafood



Mar-Kov also stores Fulcher's 40 to 60 recipes, records updates, and ensures the correct ingredients are used in the right amounts. If the bar code scan shows a batch will be made with water rather than milk, Mar-Kov alerts operators.

"With Mar-Kov, you can't make mistakes which is great because we can't undo or fix food production errors," says Chaz. "On top of the raw material costs, you can't regain production time, so it also affects scheduling and delivery."

Accurately Cost Finished Goods To Maximize Margins

As Chaz explains it, Mar-Kov's ability to track inventory and usage has helped Fulcher's more accurately cost finished goods. For example, when they launch a new recipe, they carefully assess the amount of parsley required at \$4.50/lb. But over the course of 10 to 12 runs, a seemingly negligible increase in the amount of parsley used adds up when you're using a significant amount of parsley every year.

"We discovered our raw material costs were 12% higher than we thought and thanks to Mar-Kov, we had the opportunity to decrease overuse by 8% - which allowed us to maintain our margins without increasing our prices," says Chaz.

“We can track every gram that arrived in a 20,000 lb container and that blows auditors' minds.”

**Chaz Fulcher, co-founder,
Fulcher's Seafood**

Mar-Kov's commitment to control and focus on scheduling extends as far as maintenance. Once Chaz enters a maintenance order, creates a timeline and assigns the task to a technician/engineer, Mar-Kov schedules it. Mar-Kov even sends the technician/engineer email reminders.

Employees, including engineers and technicians, can access equipment warranties, maintenance manuals, ingredients and more on their tablets provided they have security clearance and the documents were scanned into Mar-Kov. The customizable security gates let administrators set employee access based on the information that's relevant to their particular roles, whether it's recipes, production schedules or equipment manuals.

"Pull up the spec sheet on your tablet or device if you need to know which lubricant to use or which allergens are found in our breadcrumbs — the information we need is always at our fingertips," says Chaz. "Mar-Kov is 100% there for us and always ready and willing to help."

