



Batch Control Software Supports Gummy Maker's Rapid Growth & Quality Standards



CUSTOMER PROFILE



Endose gummy recipes and manufacturing are so good, customers have quintupled Endose sales in just four years.

- ✓ 60% white-label manufacturing, 40% R&D
- ✓ 14.4 million gummies annually (2023)
- ✓ 36 million gummies annually (2024 projections)
- ✓ 1,000 recipes, 50 recipes used daily
- ✓ 120 SKUs (raw materials, components, packaging)
- ✓ 12 employees

CHALLENGES

- Unable to manage constant, rapid growth
- Enforce manufacturing standards
- Difficult to manage data across multiple tools
- Poor inventory control
- Inconsistent customer communication



SOLUTION

Solution: Mar-Kov Batch Control & Inventory Management

RESULTS

- ✓ Manageable, scalable growth
- ✓ 2Xs production with existing employees
- ✓ 25% drop in turnaround time
- ✓ 100% consistent, precise manufacturing
- ✓ 50% less time to manage data on a single platform
- ✓ Accurate, reliable inventory management & purchasing
- ✓ Reliable, ongoing customer communication

ENDOSE NOW HAS THE TECHNOLOGY REQUIRED to keep pace with the rapid growth created by demand for its great-tasting gummies.

"With Mar-Kov, we doubled production with our existing staff, shortened turnaround times by 25% and won new customers," says Samme Dajlala, operations manager, Endose. "Mar-Kov could run Endose on its own – we're constantly learning from Mar-Kov."

The company grew 500% in just four years and precise production has always been critical because gummies are "finicky". With another 250% increase forecast from 2023 to 2024, production will soon skyrocket to more than 36 million gummies a year from about 15 million in 2023. Endose knew its employees and legacy systems couldn't support that constant growth without new technology.

"SENSITIVE" GUMMIES DEMAND PRECISION

Existing employees were challenged to produce 60,000 gummies daily, particularly since gummies are so sensitive. Minor mixing and cooking errors can affect quality. If the temperature is off by just 1 to 2°F or water content is off 2 to 3%, the gummies won't meet quality standards. If Endose has to start all over again and create a batch from scratch, deliveries may ship late. The associated material and resource costs can also hurt the bottom line.

"A batch can cost us up to and even over \$10,000 so we had to be proactive about preventing mistakes," says Samme.

Endose, its employees and customers benefit when every standard operating procedure, process and recipe is embedded in Mar-Kov. This allows Mar-Kov to monitor and control every aspect of production. Mar-Kov stops manufacturing if it detects recipe or process discrepancies. If the setpoint is 213°F, Mar-Kov won't let employees continue until the batch hits that temperature. As a result, employees are very aware of the precision required for Endose quality which is always top-of-mind. Conveniently, employees can now turn to Mar-Kov for answers instead of reaching out to an R&D technician.

"Mar-Kov controls production so Endose employees can manufacture more product more precisely," says Samme. "Employees recognize Mar-Kov knows best because they're not making mistakes."

INCREASED PRODUCTION, SHORTER TURNAROUND

All employees now mix and cook the batches because Mar-Kov guides them through every step. Before Mar-Kov, only the production lead cooked the batches which was really limiting for a small company with rapid growth.

"Production doubled because every employee can cook gummies and we reduced our turnaround time by 25%," says Samme.

Mar-Kov gives managers and administrators the information they need to oversee operations and grow the business. Since Endose launched in 2019, its employees have had to handle everything from inventory management and purchasing to manufacturing and sales with multiple legacy systems.

SINGLE, CENTRALIZED DATABASE

Without a centralized, integrated platform, employees spent far too much time finding the data required for basic daily operations. It was almost impossible to keep track of the inventory, recipes, and purchasing, manufacturing, sales and shipping data. There was just so much information on so many cluttered databases.

"With Mar-Kov, our 12 employees spend minutes not hours handling the data every day," says Samme.

Employees use Mar-Kov's data to consistently update and communicate with customers because it's important to those customers. In real-time, customers also like watching their recipes develop and evolve on Mar-Kov.



ON-TIME DELIVERY WITH INVENTORY MANAGEMENT

New and repeat business is tied to Endose's ability to develop new formulations that are a hit with gummy fans. The on-time delivery of those new gummies depends on raw material and ingredient availability. Mar-Kov's live inventory management ensures Endose has the ingredients the company needs to produce each batch. Mar-Kov creates SKUs and labels, and scans and tracks Endose's 120+ ingredients and 1,000 recipes. Unlike many of its competitors, Mar-Kov tells employees exactly where to find the items as it drills down to the specific aisle, section and shelf.

"With Mar-Kov, we're never low or out of stock and know where to find our inventory," says Christine. "Mar-Kov makes sure we have everything we need to manufacture and ship orders."

SUPPORT LEADS TO FAMILIARITY

When Endose introduced employees to Mar-Kov, they loved what it could for them. They recognized it would help them do their jobs better and more easily. However, Mar-Kov was so unlike their previous legacy systems they were intimidated and a little overwhelmed. With Mar-Kov's support and training, employees figured out which capabilities were relevant to their departments and their jobs.

"The support is incredible - Mar-Kov is always willing to hop on a call when we have a question," says Samme. "The platform is simple and straightforward once you learn it and get familiar with it."

Endose needed batch control and inventory management to keep growing and meeting customer expectations. Mar-Kov offers 80% more capabilities and functionality than competitors and costs about the same.

"At some point, our growth will require Current Good Manufacturing Practice (CGMP) and other food safety certifications - Mar-Kov provides the trackability and traceability we'll need to earn them," says Samme.