

SCOTTISH FARM WIDENS THE SCOPE OF MILK PRODUCTION

Despite the pressures of the daily grind, there are some things that we tend to take for granted - the daily pinta - for example. It may not have escaped your notice however, that milkmen these days often sell more than just milk, and milk itself can be bought in more shapes and

sizes than the familiar pint bottle.

So what effect does this evolution have on milk production and distribution? One company moving with the times is Scottish Farm Dairy Foods (Scottish Farm), not simply a dairy but the biggest single site milk processing unit in the UK and one of the largest and

most technologically advanced in Europe.

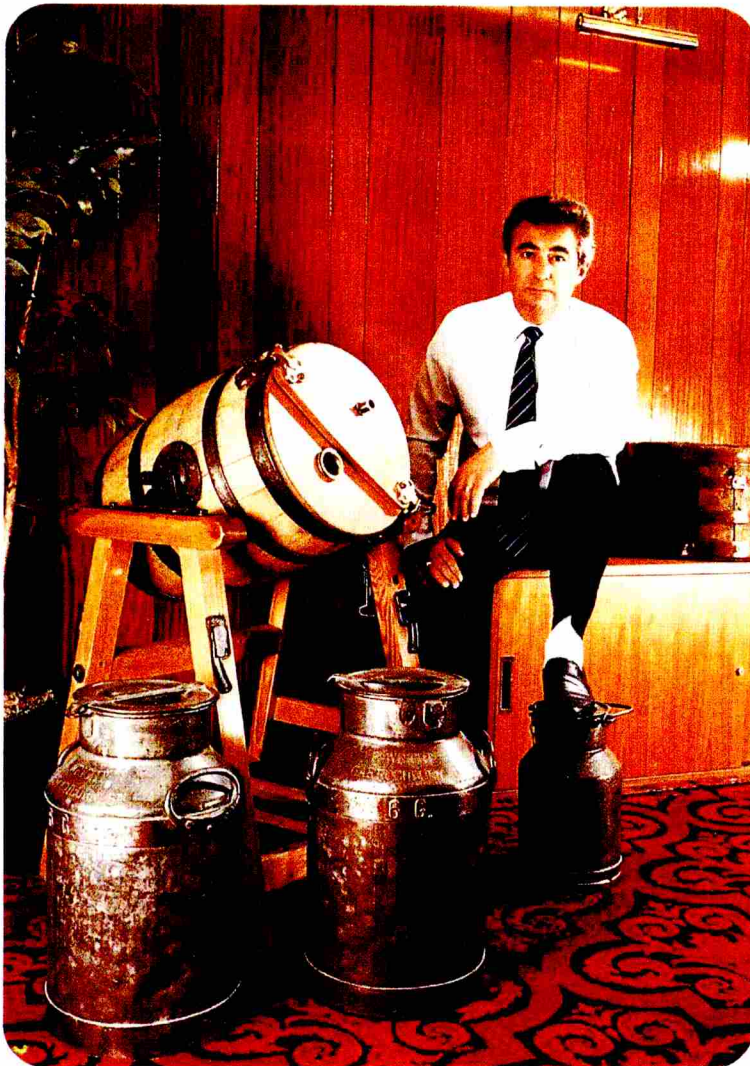
Scottish Farm employs over 600 people, achieved a 1989 turnover in excess of £73 million and is growing rapidly. Its history goes back to 1977 when a company called William W Stevenson, owned by six dairymen, amalgamated with Express Dairies. Express was bought out in 1981 and the company began trading as Scottish Farm Dairy Foods.

Scottish Farm produces a third of the milk consumed in Scotland and is the pioneer of semi-skimmed milk in Britain. Its Fresh 'N' Lo brand is a household name in Scotland and in fact tends to be used as the generic name for all low fat milks. Its sales exceed the combined total of all other low fat milks in Scotland.

Each day, around 70 milk tankers bring over 150,000 gallons of milk to the Helen Street site in Glasgow, from farms throughout the central belt of Scotland. In just two hours, that milk is ready to be delivered to customers which include large supermarket chains, airlines, hotel groups and major distributors, having first undergone strict hygiene testing and processing before being packed into cartons and loaded onto lorries. Over last Christmas alone, over two and a half million gallons of milk were processed in the two week period.

Maximum efficiency

To ensure maximum efficiency of its operations, Scottish Farm relies heavily on information technology - two ROCC computers and an NCR Unix system. The ROCC 2830 (soon to be replaced by another ROCC 2865) and the ROCC 2865 multiuser computers are in fact doing the job of mainframes, and run a wide range of



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applications including sales order processing, management accounts, vehicle management, payroll and management information system programmes - an intensity of computing applications unmatched by any other user, claims ROCC.

The computer department has been built up by the computer manager Vincent McGlone from the days before the ROCC management buyout of Rediffusion Computers, when Seecheck computers (as the systems were then known) were used purely for data entry. He has now been with the company for over ten years and has retained ROCC computers each time upgrades to the system have been necessary. He explains:

"One of the reasons we have stayed with ROCC equipment over the years is that we demand a heavy workload of our computers and the ROCC systems have proved to be strong and reliable computing workhorses. Also to facilitate our expansion and to increase the number of operational tasks we computerise (such as the calculation of loading instructions for pallets of milk cartons on to delivery vehicles), we

need a system that is flexible. Upgrading the ROCC computers each time it has been necessary has been smooth and straight forward."

The nature of the milk processing schedule demands that the computers are live on an almost 24-hour basis. The configuration of the system allows each of the three computers to be accessed quickly, easily, and invisibly to the user. CASE data switches facilitate communication between the systems. Access to data has also been speeded up by the upgrading of the ROCC 2830 to match the ROCC 2865. Backing up audit files onto tape takes place at set times each day, every half hour, and causes minimum disruption.

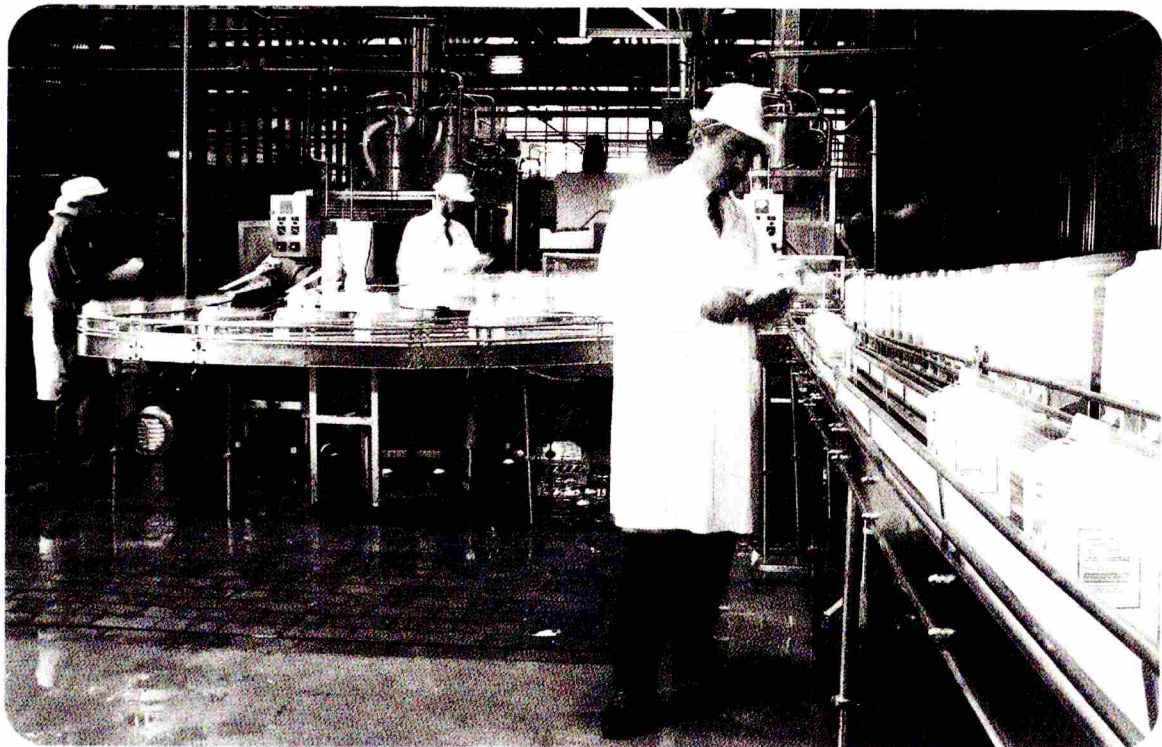
Linked to the minicomputers are 27 workstations 17 of which are remote, being located in different Scottish Farm sites. For example, the terminal in the company's garage workshop across the road from the main processing depot is used for vehicle management to measure vehicle performance including the analysis of fuel consumption, tyre wear and reliability. 'Grapevine' communication links allow access to the central system via an internal tele-

phone network. 'Lion' switches allow data from remote terminals to be simultaneously transmitted to and from the minicomputers in both directions.

Future plans to further improve communications include sending order reports, presently posted to customers, directly down communication links to customers' own terminals once such network links are developed. "Customers use these reports to update their stock levels and to check invoices," explains McGlone, "transmitting them directly would improve and speed up an already sophisticated ordering system.

"Also, we are developing new computer programs all the time. We have already written programs which automatically calculate loading details in accordance with customers' special instructions - again helping to streamline our operation," he says.

Working so closely with all its customers might indicate that Scottish Farm has an enormous administrative task if one thinks in terms of the number of local dairies it would take to process 150,000 gallons of milk per day. However, in Scotland only 35 per cent of milk bought by consumers



Nearly all the major supermarket chains in Scotland, including Marks & Spencer, Safeway, Gateway, William Low and Tesco buy their milk from Scottish Farm Dairy Foods. Computer manager Vincent McGlone regularly visits the dairy, as the nature of the milk processing schedule demands that the computers are live on an almost 24-hour basis.

north of the border is sold by milkmen; 65 per cent is sold through retail outlets, a large proportion of which are the major supermarkets. In England 85 per cent of milk is still delivered to the doorstep. Nearly all the major supermarket chains in Scotland, including Marks & Spencer, Safeway, Gateway, William Low and Tesco buy their milk from Scottish Farm.

Scottish Farm's products are also sold in England, going to supermarkets, catering organisations and larger consumers. For example, anyone drinking a McDonald's thick shake in the north of England will be drinking a Scottish Farm produced product!

It may seem, on first consideration, that packaging and selling milk would be a fairly limited operation. But it's not quite that simple! For example, each supermarket has its own packaging and/or special container shapes and sizes and it may also sell different flavoured milk; so milk packaging and distribution can be quite complex.

Versatile plant

With the latest advanced packaging equipment from Bosch, Scottish Farm now also services the portion industry by packaging

and selling four million portions a week to clients such as Air UK, British Midland and Trust House Forte hotels. Their versatile plant also allows Scottish Farm to diversify into the packaging of other commodities such as butter, soup and fruit juices, keeping its options open for business development.

In many cases, milk products are trucked to customers for overnight delivery as Scottish Farm's distribution area penetrates much of England. The company fleet of 111 vehicles clocks up some 3.8 million miles each year, incurring a fuel bill of around £0.5 million.

To make maximum use of the fleet, the company also operates a distribution service for other companies and so the refrigerated lorries may well be returning to Glasgow from other parts of the country carrying other chilled products. Also, the vehicle maintenance department run a prosperous business servicing vehicles for other companies.

Information provided by Scottish Farm's computer system not only greatly increases the efficiency of processing and distribution operations but is also used as a management tool. As James Prentice, the company's marketing manager points out, "we have

a heavy demand for information gathering and data manipulation on a large scale in many areas of the business. The benefit to me is that I can pull together up-to-date detailed information on price movements, customer records, production trends and sales quickly and simply on my PC workstation which is linked to the ROCC network."

The successful growth of Scottish Farm depends largely on forward planning and anticipating needs before they become a reality. The company has expanded the boundaries of milk production and distribution into several areas. A recent strategic takeover of the local company Perratt & Sons takes the company into added value products such as creme fraiche, and yogurt.

In total, Scottish Farm Dairy Foods currently produces some 280 different products. Its projected turnover of 100 million by 1992 is expected to be reached through organic growth and mergers with, or acquisitions of, other related businesses.

In its own area it is a major player, but it is also a sizeable Scottish company in general business terms. Milk processing and delivery has come a long way since the days of the cow and the milk-maid. ■

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ROCC is pleased to announce that the next Quality and Accuracy competition for operators is scheduled for early 1991.

The competition is divided into two categories namely, one for commercial, financial, NHS, local and central government users, the other category is for the bureaux.

Details of the competition and entry forms will be sent out to users at the end of this year.