# SAP Farm Management and SAP Grower Management

Target Audience

- **<u>Agricultural companies</u>** growing food and crops
  - Agri crop producing companies, with own or leased farm land
  - Cooperatives
  - Meat or dairy producers growing their own feed
  - Large greenhouse growers

- **<u>Consumer products companies</u>** processing agricultural raw materials (crops)
  - Consumer goods producers
  - Food producers (incl. sweets, bakery)
  - Feed producers
  - Beverage producers (e.g. juices)
  - Tobacco companies

- **<u>Seed producers</u>**

- **<u>Other companies</u>** that are buying and selling food
  - Large restaurant chains
  - Large groceries, supermarket chains
  - Wholesale traders buying crops from farmers
  - Importers of fruits and vegetables

Key Questions

- Do you have your own or leased farm land that you are managing to grow crops?

- Are you sourcing raw materials (fruits and vegetables) from farmers?

- Are you managing harvest operations for growers?

- Are you managing a larger group of farmers as contractual partners?

- Are you sourcing from farmers and also selling services and crop input material to these farmers?

A Farmer's Dilemma

Land availability

Weather events

Seeds & planting material

Labor resources

Cost control

Fertilizer & pesticides

Machinery & equipment

Plant capacity
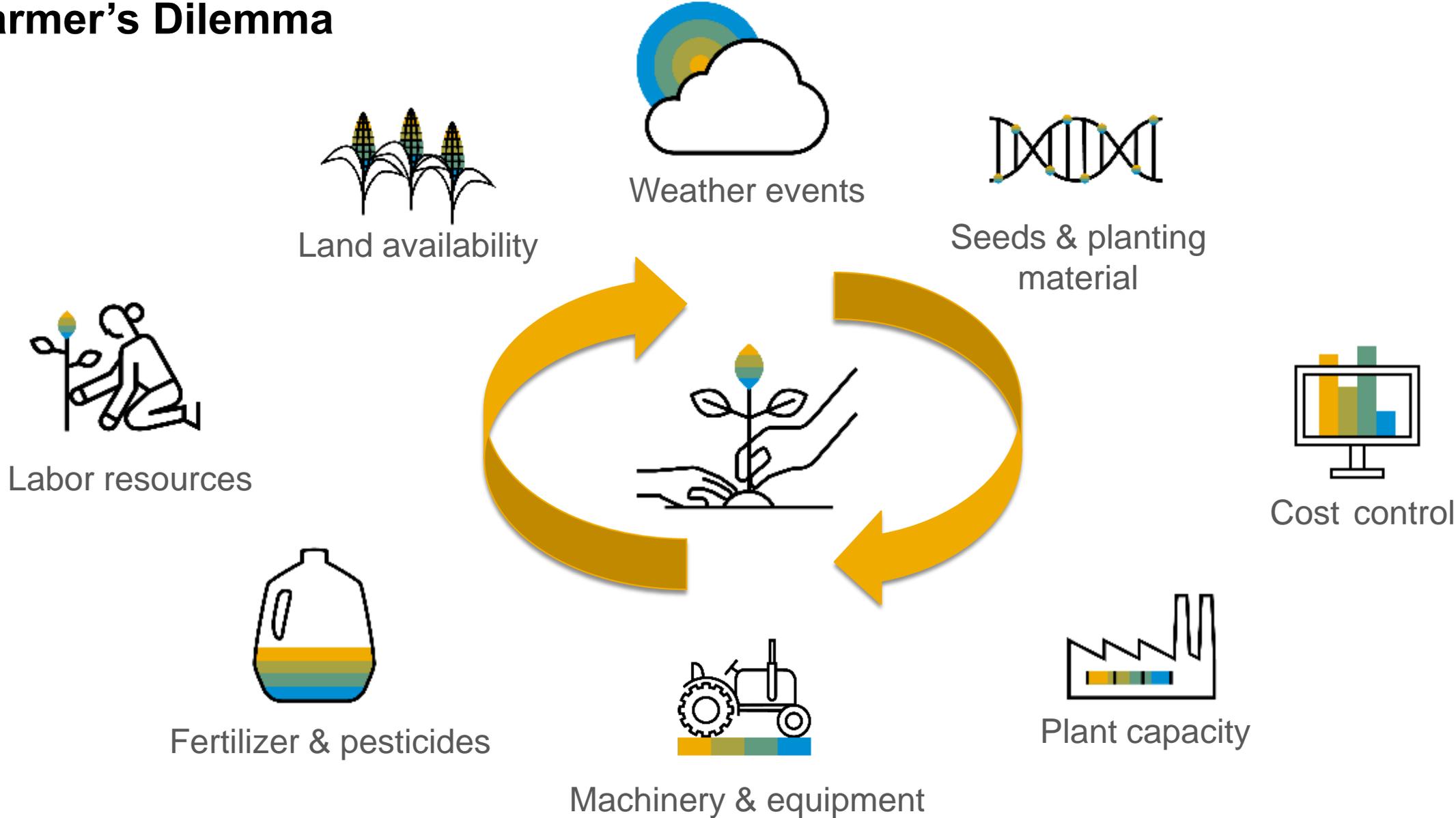
Agribusiness Solutions – SAP S/4HANA Industry enhancement

SAP Farm Management
for the farmer to operate the farm
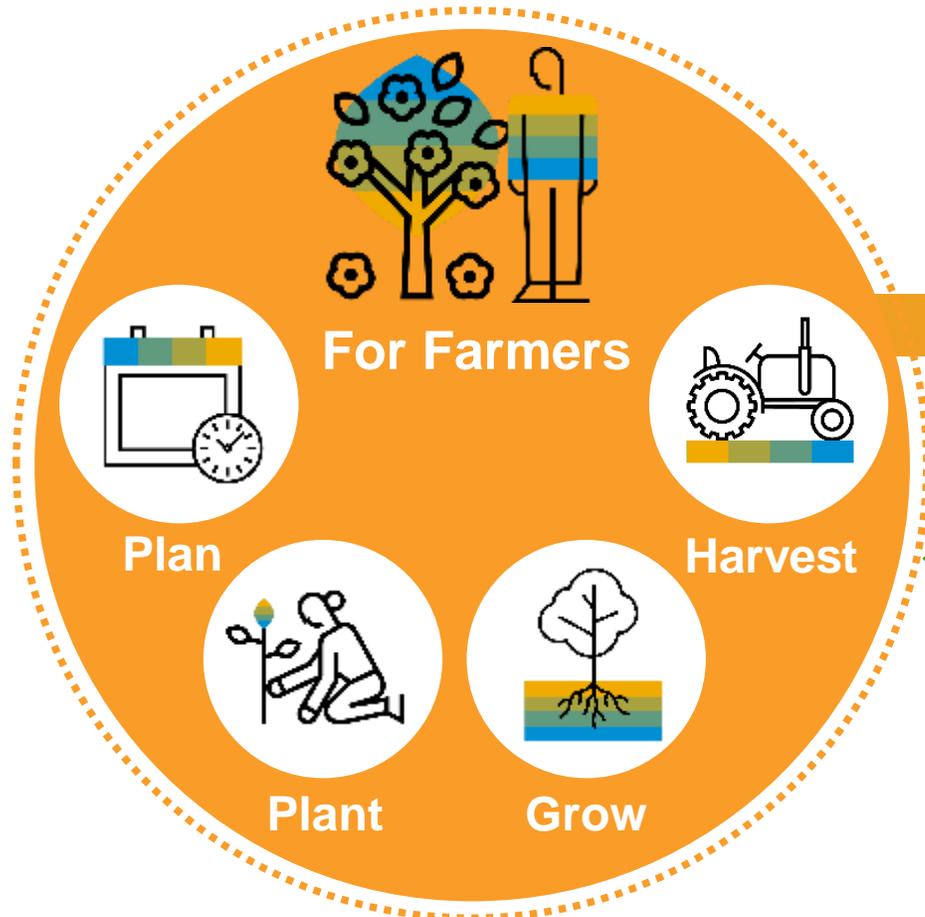
SAP Grower Management
for the buyers to manage their supply

For Farmers

Plan

Plant

Grow

Harvest

Sell

Buy

For Buyers

Support

Package/Process

Pay
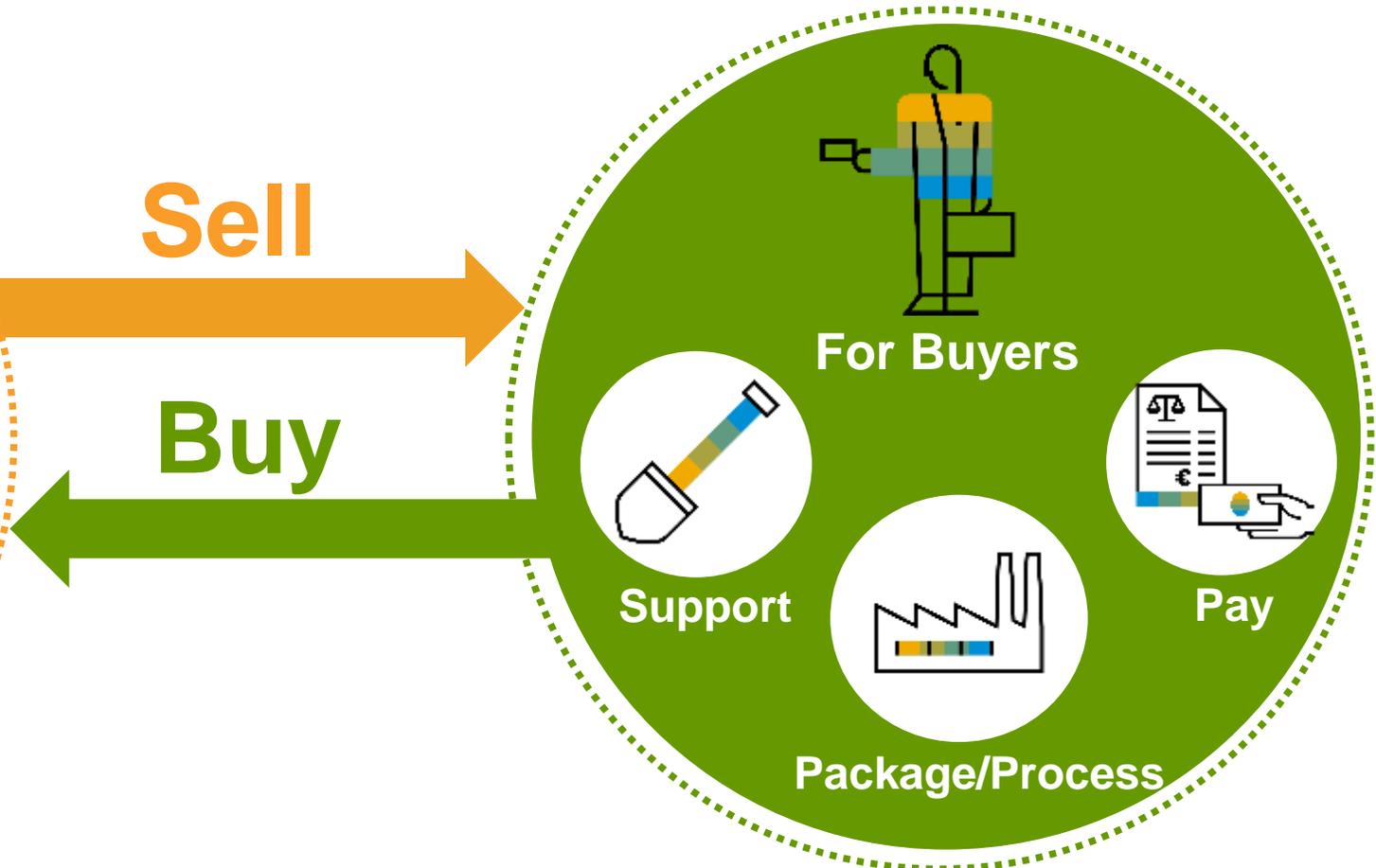
Some Background on Crop Production Cycles

Short term

- Periodical crops (every three months)
- Harvested several times in the same year
- Production cycle less than a year

Medium term

- Periodical crops (every 3 to 5 years)
- Harvested several times
- Production cycle no longer than 5 years

Long term

- Only one planting
- Harvested during many years ahead
- 5 to 40 years of produce

SAP Farm Management

An application for grower companies to plan and manage farm operations for multiple crop types. It is fully integrated into SAP logistics and financials processes.

Field planning:
Planning of farm field operations based on budget, resources and production goals.

Crop lifecycle management:
Provide sequence of activities across the crop lifecycle for different crop types. This includes tasks for chemical application, irrigation and other field activities.

Harvest management:
Plan and execute harvest activities, with precise measurements of crop yields and qualities.

Mobile access:
Provide mobile access to field operator for key functions like quality measurements and task recording.

Management analytics and reporting:
Provide business insight and decision support to farm managers.
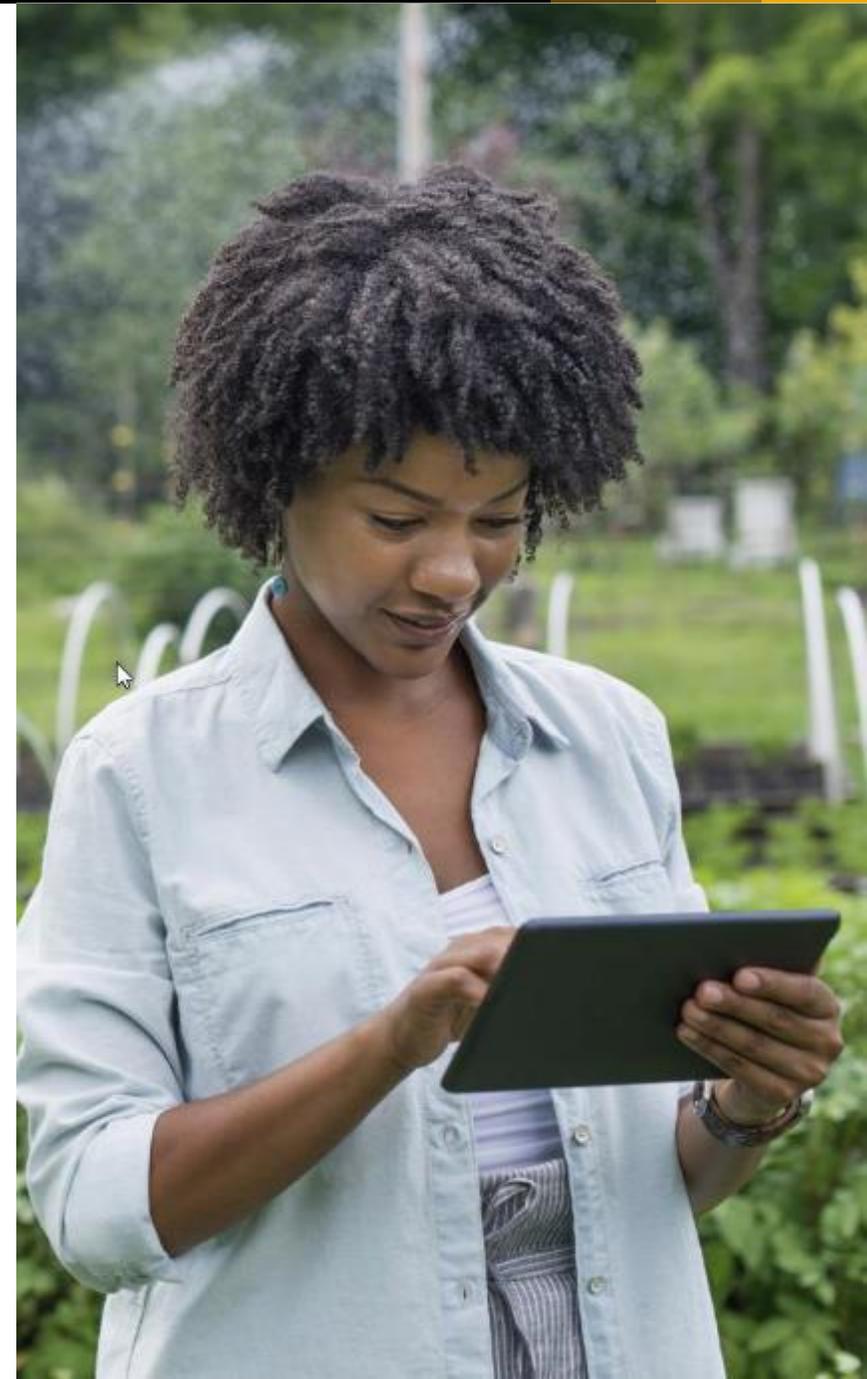
SAP Farm Management
Solution for grower companies to plan and manage farm operations for multiple crop types

General Process

Confirmation

Stages

Growing

Planting

Harvest

Analysis

Tasks/ Activities

Subsoiling   **Irrigation**

Fertilization

Resources

Supplies   **Man hours**   **Machine hours**
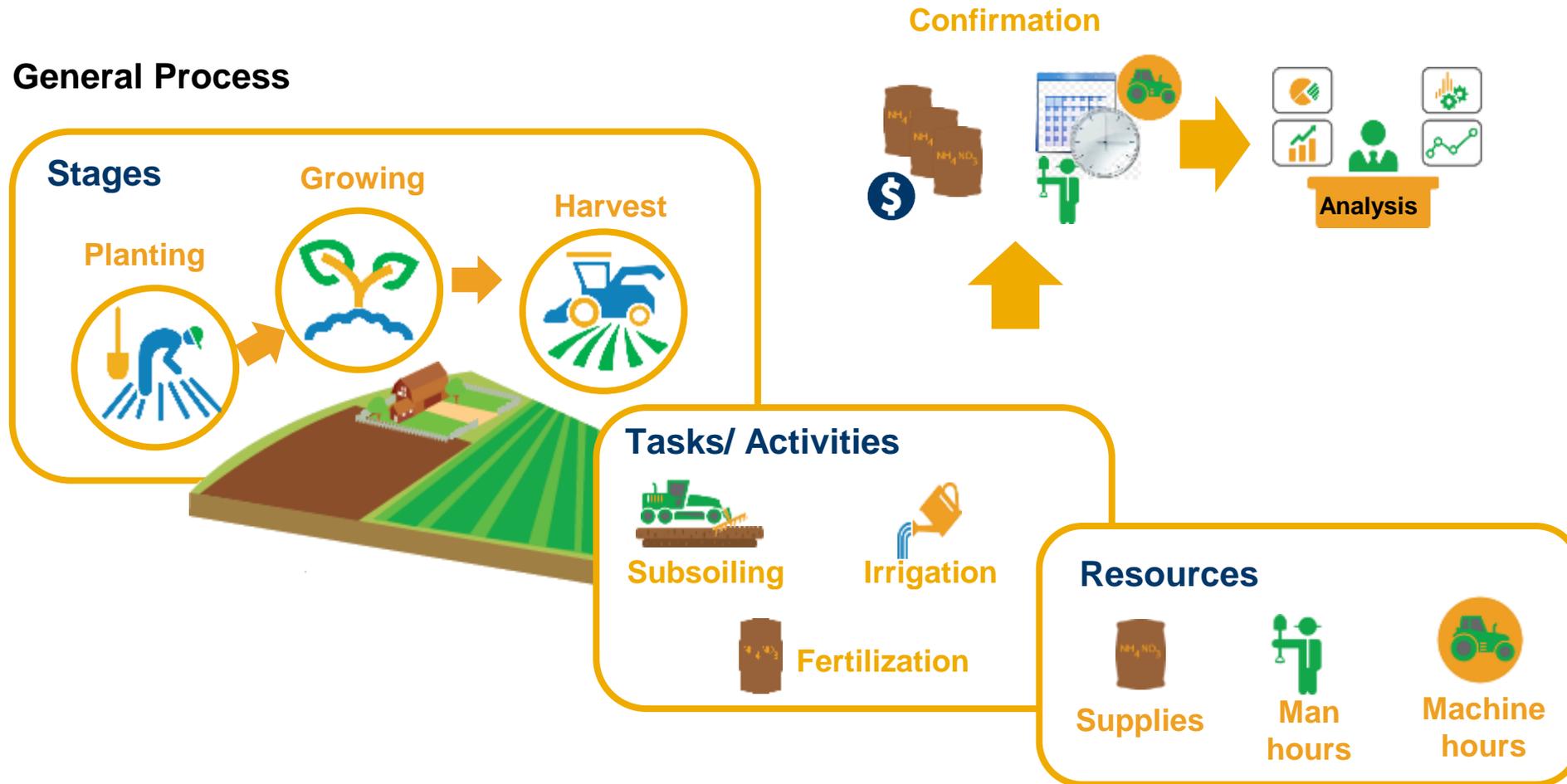
Key Features

- Field Planning

- Crop lifecycle management

- Harvest Management

- Mobile Access

- Analytics and Reporting

Screen Examples: Crop Master and Work Order

Crop Master, with expected yield and production material

Work Order, here for Chemical Application Treatment

Geographic Information System (GIS) Capabilities

Navigational

Transactional

Analytical

Mobile Application Example: Work Order Confirmations
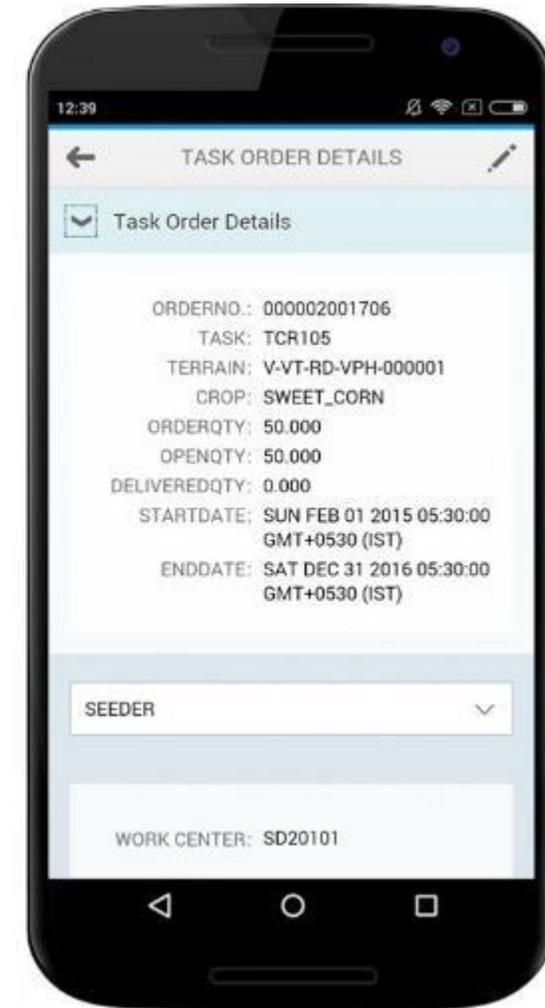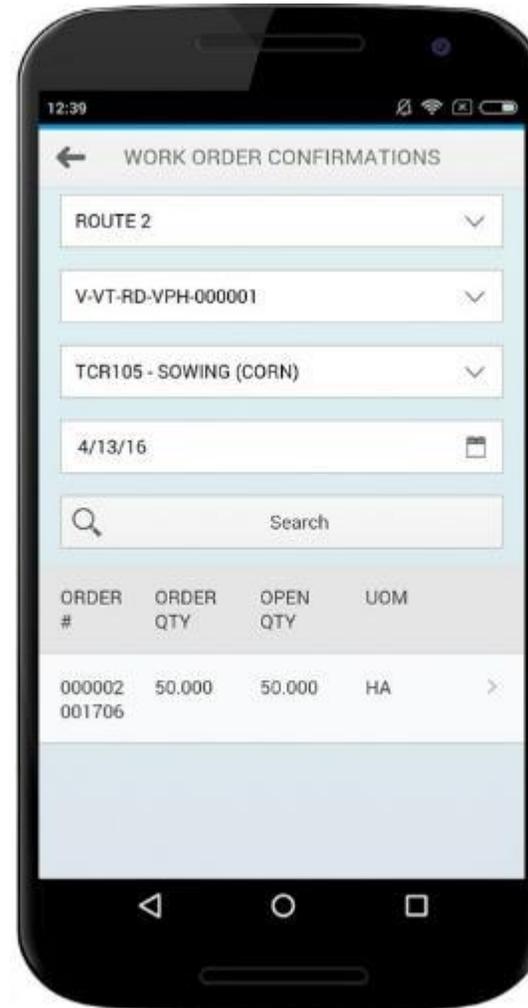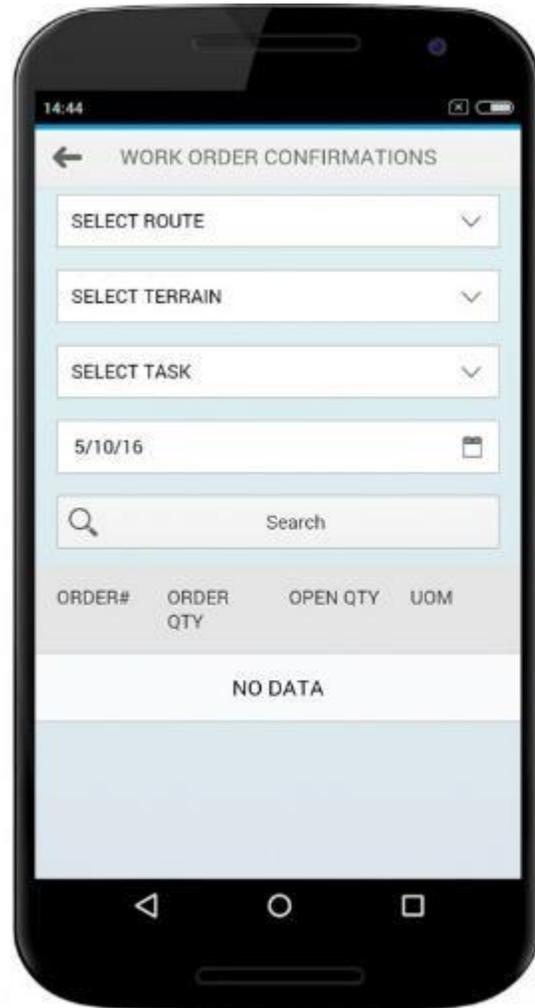
Analytics Example: Planned vs. Actual Cost reporting
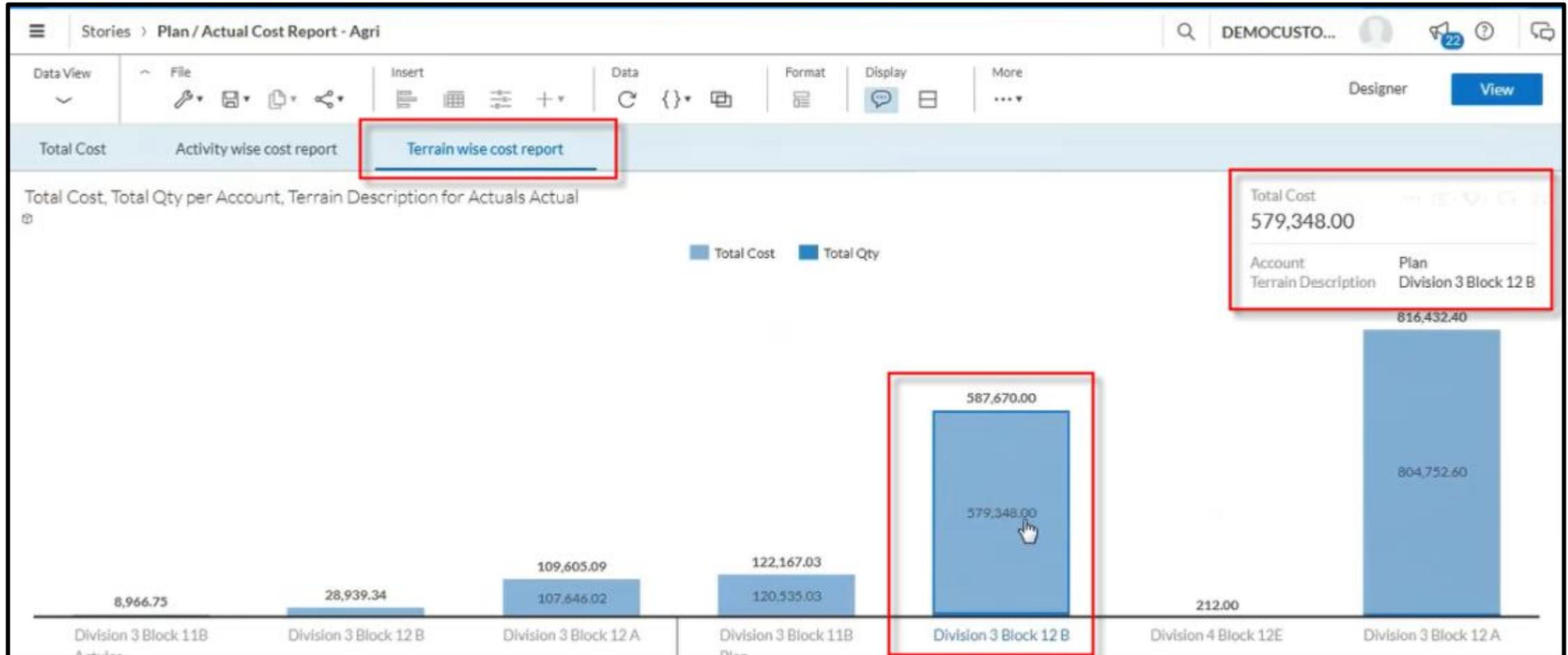
Mobility

SMP & SAP Fiori based Mobile apps simplifying the UI and allowing the users to work in offline mode in field operations

- Release work orders

- Task order confirmations

- Measurement data input for soil conditions, meteorological data, etc.

- Material and resource usage

- Sensors – weather, moisture, etc.

- Harvest order confirmations

- Produce receipt quality checks

SAP Farm Management

SAP Mobile Platform

SAP Netweaver Gateway

SAP Farm Management by Vistex

Field Planning

- Field Planning
- Crop Rotation
- Crop Assignment
- Agro Supply Planning
- Operational Budget

Nursery Management

- Scheduling
- Seed Availability
- Seed Quality Control
- Seed Costing

Crop Lifecycle Management

Planting & Growing

- Task Orders Scheduling
- Field Quality Control
- Field Costs Reporting

Irrigation

- Cost Control
- Hydro Balance Control
- Meteorological Data Mgmt.

Chemical Application

- Substances Management
- Formulas / Versions
- Parameters Control

Harvest Management

- Pre-Harvest Quality
- Harvest Planning
- Harvest orders
- Yield estimations
- Harvest Execution
- Produce Receipt

Product Traceability - PTI

- Harvest Order Origin
- Batch Management
- Inventory Movements
- Produce Traceability

SAP Grower Management

An application helping agribusinesses to manage their grower relationships - fully integrated into SAP logistics and financials processes.

Contract management:
Manage grower contracts with details on terms, conditions, contracted yields and qualities.

Outgrower support:
Manage outgrower relationships such as services, farm input materials, and payments and cash advances to farmers.

Settlements and financial processes:
Manage settlement of grower contracts including loans, advances, and deductions, allowing for documented statements to farmers.

Mobile access:
Provide mobile access to operator for key functions such as crop receipts and quality measurements.

**Management analytics and reporting:**
Provide management and operations reporting, which are prerequisites for documenting good agricultural practices and compliance.

SAP Grower Management for Perishables by Vistex
Solution for buyers of perishables e.g. fruits and vegetables to manage their supply

Process flow

Agreement → Produce Receipt → Period Closing → Settlement → Services Provisioning → (Crop, Grower Terrains)
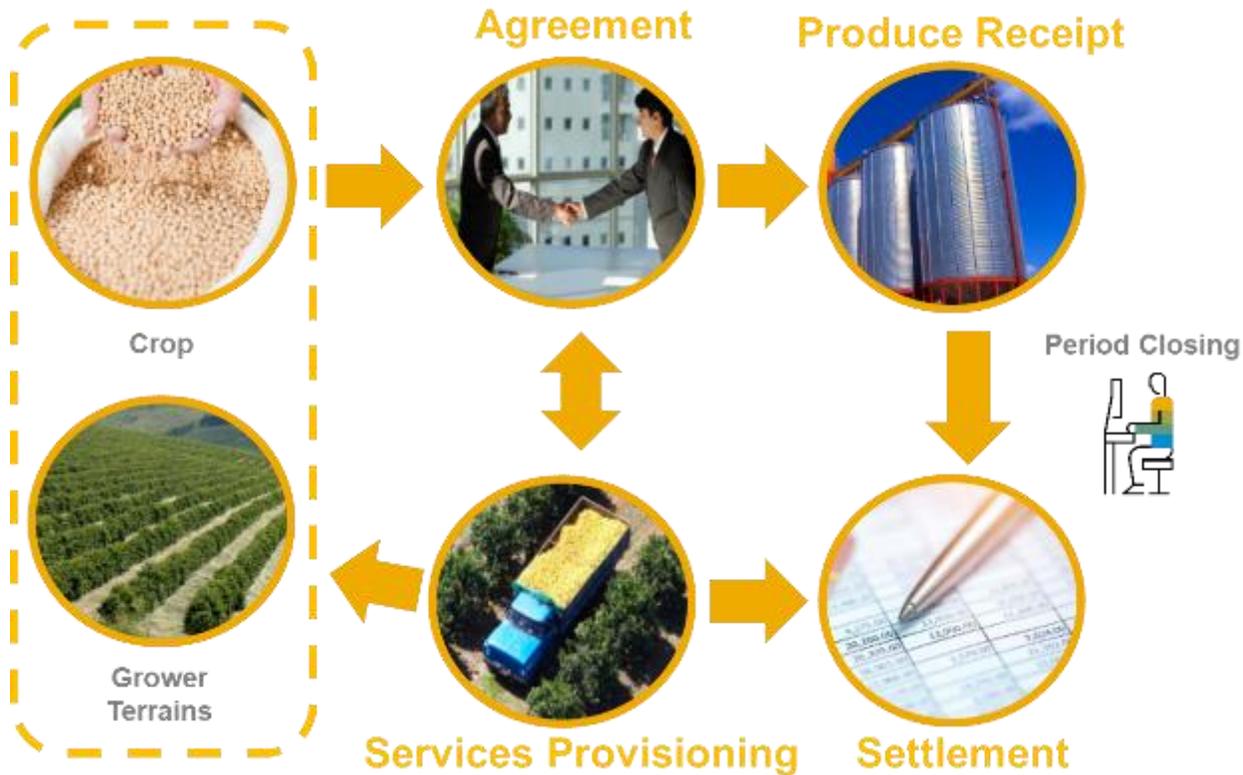
Key differences to SAP Agricultural Contract Management:

- Contracting hectares / acres vs. tons

- Simple pricing

- Integrated service provisioning for growers, e.g. seed

SAP Grower Management for Perishables

Field Planning
- Terrain Management
- Crop & Season Planning
- Yield Estimation

Grower Contracts
- Legal Framework
- Acreage
- Quality & Pricing Rules
- Settlement Profile

Agri Services Provisioning
- Seed Provision
- Equipment Provision
- Cultivation Management
- Harvest Execution

Grower Settlement
- Produce Receipt
- Produce Pricing
- Advances & Deductions
- Payment & Reconciliation

Product Traceability - PTI
- Harvest Order Origin
- Batch Management
- Inventory Movements
- Produce Traceability

Business Process Integration

SAP Farm Mgmt.

SAP Grower Mgmt.

Farm Operations → Nursery Management, Planting, Growing, Quality Control, Harvesting → Scale → Grower Management

Chemical Application · Fertilizer · Irrigation

Crop Availability, Forecast, Plant Capacity → **SAP IBP** → Global Plan → Raw Material Receipt, Purchasing → Quality Measurements → Collection & Storage → Processing → Costs → Payments & Settlements

SAP S/4HANA

SAP S/4HANA

SAP Farm Mgmt. by Vistex

SAP Grower Mgmt. for Perishables by Vistex

Customer Example
Sugar Corporation

Cost savings
(Data from a live customer)

- Reduction of order processing time   -10%

- Accelerated and accurate payment processes   - 5%

- Reduced usage of herbicides   -32%

- Reduced usage of fertilizer   - 8%

- Reduced time for grower managers spent in office   -10%

- Detailed costs analysis at field level   -10%
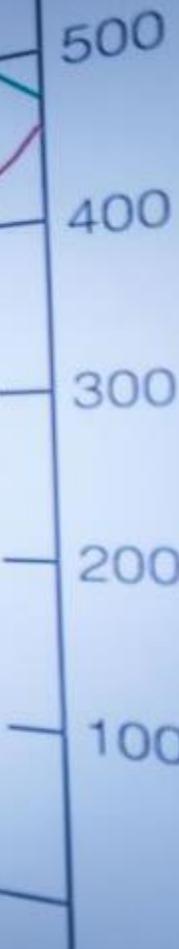
Integration into Planning:
Value for customer examples

➤ Recognize supply and demand imbalances at processing plants early

➤ Optimize the flow of raw materials from farms to processing plants

➤ Optimize throughput of processing units

➤ Timely transportation of perishable goods - Reduce degradation of raw materials during receiving delays

➤ Optimal (seasonal) usage of farm fields and fallow periods

➤ Make better sales decisions with accurate supply data - Mitigate the impact of harvest variances

➤ Better react to changing customer demand

Info Sources

Events

Customer webinar

"Coping with Agribusiness Challenges with SAP Farm Management and SAP Grower Management by Vistex"

Date: Wednesday, June 17, 2020

Time: 10:30 AM Central European Summer Time

Duration: 1 hour

→ **Registration** (internal and external) on the event website:

https://event.on24.com/wcc/r/2315255/42F7FF5397583C4FEFC365F44DB4229A

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SAP sources of information

SAP External Links:

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► [Innovation discovery](#)

► [SAP Help Portal](#)

► [Video](#)

► [Vistex page](#)

Thank you!

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