



AgGateway Case Studies

The Equity Improves Profitability, Inventory Efficiencies and Customer Focus

Background

- The Equity is a farmer-owned cooperative headquartered in Effingham, Illinois. The Equity supplies a full line of agriculture inputs including crop protection, crop nutrition, seed and services. The co-op also provides energy needs, receives grain, offers livestock opportunities, and provides feed products and services.
- The Equity's 21 retail locations provide products and services across south-central Illinois. Currently, it services over 2 million acres.



Challenges

The Equity was being challenged by:

- Inefficient processes
- Inventory and lot number inaccuracy and shrink
- Spending too much time on inventory and not with customers
- Inaccurate in-season inventory availability.

Solution

The Equity started implementing electronic connections in 2014 after becoming a member of AgGateway. Making the decision to get started was the biggest hurdle, according to Information Services Director Natasha Lilly. The co-op quickly synched its products and customers with AgGateway identifiers to prepare for its first B2B connections.

The co-op started with the electronic ship notice, a connection that is used on seed deliveries.

"This was a win for all our locations because of the considerable time savings," said Lilly. "A transaction that previously had taken 30 minutes could easily be accomplished in 45 seconds. The first connections put into place equated to a savings of around 150 hours per administrative assistant each season. These savings are applicable at each of our retail locations – and the savings did not stop there."

Key Points

Profitability:

- ✓ Reduction of employee hours
- ✓ Less shrink
- ✓ Retention of customers

Customer Focus:

- ✓ Less time spent on inventory processes – equates to a bigger customer focus

Constant Improvement:

- ✓ No more double entry
- ✓ Reduce hand-keyed entries

Integrity:

- ✓ We deliver what we intend to deliver
- ✓ Synchronization with manufacturers through AGIIS – Assures the right products for customers

Accountability:

- ✓ Real-time accurate inventory

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- Natasha Lilly, Information Services Director

Today inventory is received precisely with accurate lot information, which saves endless hours on inventory processes.

“The value from accurate inventory touches many internal departments and processes. The results reach all the way to our customers,” Lilly said. “The value that is absorbed when a customer is given top-of-the-line customer service is why we will continue to be relevant in this business. We bring value to our customers by streamlining our internal processes. When we get it right, the customer gets it right!”

The Equity did not stop with one connection and, “the momentum at that point was huge,” said Lilly. Next was the price messaging, which proved to be another big win in time savings and value. Price levels are easily brought into the system at the click of a button. Grower order connection was implemented next. This electronic connection changed the co-op’s processes from two separate ordering platforms to one order system.

“Employees then were able to cut the ordering time in half,” said Lilly. “Error reduction on customer orders was another added value for us.”

The electronic exchanges all use AgGateway’s Ag Industry Identification System ([AGIIS](#)) service. AGIIS enables everyone to use unique identifiers for products and customers, which is the backbone to all the electronic communication.

Results

The results are efficient business processes that bring value and cost savings to every area that eConnectivity touches, Lilly said. AgGateway involvement has given The Equity the avenue it needed to become connected with its business partners.

“The added benefit was that we are not just making connections, we are at the table driving the industry standards and direction,” said Lilly.

Future Plans

The Equity plans to stay very active in AgGateway in the years to come. The co-op plans to continue to bring on more standardized industry connections and evolve its business processes around these standards. The future vision includes connecting with all its business partners and having one process for each of these vendors and manufacturers. The value is easily felt with the first electronic connection in just one sector of business.

“We look forward to the value of using these standards and connections across all our product lines and business processes,” said Lilly.



About AgGateway

AgGateway is a non-profit organization dedicated to the expanded use of information to maximize efficiency and productivity, promoting and enabling the industry’s transition to digital agriculture. www.AgGateway.org