

# USAGE OF SOFTWARE SOLUTIONS IN BEVERAGE INDUSTRY - Project Simply Pure GmbH

## Starting situation

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Most soft drinks on market contain a lot of sugar and additives whose use does not make sense to us. A natural and tasty premium bio drink is, what **Simply Pure** was inspired by, when the product *simply Iced Tea* was developed; a product, based on a freshly brewed tea with only honest ingredients.

Ever since the beginning we decided to keep the recipe simple. After sorting out carefully, we have chosen three basic raw materials for *simply Iced Tea*: a classic “black tea & lemon“, a fruity-mild “white tea & cassis” and a slightly harsh “green tea & bitter orange”.



This endeavour was supposed to be controlled by a modern management accounting tool in respect of rentability and bankability. The coming financial planning as well as the check of achieving objectives are now to be done by a state-of-the-art management accounting tool. This replaced spreadsheet completely.

We anticipate: It was June 2015 when *simply Iced Tea*'s production has started – naturally, environmentally friendly and bottled in glass. Ever since, **Simply Pure** enjoys with a healthy and tasty Iced Tea.

## Targets

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In the early stages of company foundation the implementation of a business case of **Simply Pure** had top priority. The business model had to be calculated financially. To enable a dialogue with the bank and investors on an equal footing, the planning validity had to be verified. To act future-oriented the start-up uses a management accounting tool. So the entrepreneurial needs can be displayed, targeted and implemented over a long period. Therefore various cases had to be worked out, which will be compared with plan and actual regularly.

Beverage producers deal with cent values. Because of the huge number of pieces it is necessary to count each decimal place of direct costs. Evidently, it is very important to illustrate small sums, too. Thus you get a precise view of which costs have an effect on the big picture and what has to be improved. The essential thing of production is the knowledge of inventory; this, too, is now part of the management accounting tool. It exactly shows how much has to be produced of what kind of sort, when and how.

The beverage industry knows a lot of further factors. Besides the product itself, empties must be presented in figures. Positions like bottles, beverage crates, pallets, purchase, transfer to the customer and return have to be considered. This and much more is now illustrated in a reasonable and transparent way, thanks to Seneca Management Accounting!

## Measures taken

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Based on Seneca Rising Star, the start-up model of **Simply Pure** is still expanding. After working out a funding plan, cost and gain were planned in detail. Out of this the capital requirements were ascertained. **Simply Pure** used three different scenarios.

The loan plan was created with various modalities in each case and illustrated in liquidity forecasts.

For proof of concept we performed a rentability calculation with a positive forecast.

One essential step was to establish a periodical and automated reporting with Seneca Management Accounting. In this case the recipients of the reports are banks and funding establishments.

Last but not least, we connected the operative accounting. Now, the actual and plan can be displayed at once and can be rated.

## Result

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Miss Katrin Waldenmaier, chief executive of **Simply Pure GmbH**: “Seneca Management Accounting Software is the favorite tool of **Simply Pure GmbH** because of its high flexibility regarding the individual needs of business planning. With three different planning scenarios we were able to implement our case concretely and to work out connections. Last but not least, with

Seneca we have been able to master the start-up financing easily. We now have all data, variances, analysis and customers at a glance and on a daily basis. The result is, **Simply Pure** can concentrate on the essentials: after producing successfully we now are busy to place our premium Iced Tea products in Munich gastronomy as well as in trade. Thanks to our **BIO certificate**, the upcoming bio markets are interesting for us, too. Finally, our banks do get steady and confidence-building information which clearly benefits our future expanding financing.”

More info about Simply Pure GmbH:

<http://simplyicedtea.de/>

More info about Seneca Business Software GmbH:

[www.seneca-control.com](http://www.seneca-control.com)

