



CUSTOMER CASE STUDY

VIÑA UNDURRAGA S.A.

“There is no other software with the ability to address all these challenges so effectively. QAD fully supports the entire winemaking process from the vineyards, through production to the global consumer.”

**Juan Guerrero, CFO,
Viña Undurraga S.A.**





VIÑA UNDURRAGA S.A.

QAD ENSURES VIÑA UNDURRAGA HAS VISIBILITY THROUGHOUT THE WINEMAKING PROCESS

THE COMPANY: VIÑA UNDURRAGA S.A.

With 2,500 acres spread across seven production vineyards, Viña Undurraga produces 18 million

liters of wine each year. The company's vineyards occupy some of Chile's best and most productive wine-making regions, including the Colchagua, Leyda and Maule valleys. Since its founding in 1885, Viña Undurraga has always had great respect for the land, and they work hard to operate in an environmentally friendly manner with a healthy regard for tradition and an eye toward innovation. Connoisseurs recognize the resulting wines as some of the best in the world. Viña Undurraga exports about 70% of its production each year, reserving the remaining balance for Chilean consumption.

THE CHALLENGE: STRINGENT TRACEABILITY PROCESS AND MOTHER NATURE REQUIRE COORDINATION THROUGHOUT THE SUPPLY CHAIN

Coordinating its global supply chain is of great importance to Viña Undurraga to ensure they can meet demand. Optimizing the use of production capacity is also critical since the company must maximize throughput when the grapes are ready to harvest and the wines are ready to distribute. While other ERP systems might be able to handle supply chain planning and production optimization,

HIGHLIGHTS	
Company	Viña Undurraga S.A.
Headquarters	Talagante, Chile
Industry	Food and Beverage
Products	Wine
Solutions Utilized	QAD Enterprise Applications



Viña Undurraga recognized their requirement for a solution flexible enough to address the needs of their unique industry, especially because they operate their global supply chain “Just in Time”, and because of the delicate nature of wine and Mother Nature’s influence.

With such a large percentage of their wine being exported, Viña Undurraga must be in compliance with the labeling requirements of countries around the world. They needed complete track and trace capability that would allow them to label each bottle with the vineyard where the grapes grew, the vineyard’s organic or phytosanitary certifications and any additives used in the wine.

In addition, Viña Undurraga monitors weather conditions to enable them to move quickly when the grapes are at their peak. They need to track humidity, rainfall, frost, additive applications and more to stay on top of growth status to ensure they manufacture the highest quality product.

The company also has a mission to be environmentally friendly, so they monitor water usage carefully. In addition, they take strong measures to minimize their carbon footprint by using solar energy and wind power whenever possible.

Because of the complexity and sophistication of their operations, Viña Undurraga realized they needed an ERP solution tailored specifically for the wine industry.

THE SOLUTION: QAD ADDRESSES THE UNIQUE NEEDS OF A FOOD & BEVERAGE MANUFACTURER

The most important factor in Viña Undurraga’s decision to implement QAD Enterprise Applications was the capability to address unique vineyard management and wine production requirements.

“We were most interested in the ability to trace the labor involved in the process, the inputs used for agricultural management and the control of the costs associated with each stage of the process. This is a complex process that includes the sprouting, counting and harvesting of the grapes,” comments Viña Undurraga CFO Juan Guerrero.

“Within QAD’s solution, the most important things are traceability and tracking the cost. This is important for us.”

The original implementation was a structured process, and Viña Undurraga management was very hands-on in the process.

“Both our agricultural and winemaking managers were involved in the original implementation, and with each upgrade, we have adopted a process of continuous improvement and integration of the newest features,” adds Guerrero. “It has been a very dynamic process.”

Users of the system immediately adopted the new agricultural and winemaking capabilities because the process felt natural and worked the way they do. It completely changed their view of IT systems.

REAL-TIME INSIGHT INTO THE ENTIRE WINEMAKING PROCESS

The entire functional spectrum of wine industry requirements were addressed, from cleaning of vineyards at the end of one cycle to the harvest of the next. Along the way, the solution tracks labor, materials and costs, providing insight for Viña Undurraga to operate the vineyards effectively.

The solution begins with the process of receiving grapes and follows them through pressing, to the delivery of bulk wine for bottling. It manages mixing, required materials and costs, additives and labor costs. As a result, Viña Undurraga has a complete operational picture that allows them to price their wines competitively yet profitably in the global market.

QAD provides real-time insight into the entire winemaking process, enabling Viña Undurraga to make rapid decisions based on facts, not guesswork. They can take actions quickly during any phase of the agricultural, vinification or production processes.

THE BENEFITS: REAL-TIME VISIBILITY INTO THE PRODUCTION AND COSTS OF THE PROCESS ENABLE VIÑA UNDURRAGA TO MAINTAIN A CONTINUOUS IMPROVEMENT APPROACH

“We believe the future lies in the quality of the wine we produce, not the quantity. With QAD , we have better visibility into production in the vineyards and the quality of the wine that is produced,” states Guerrero. “This has given us the ability to make better decisions about managing vineyards based on the varieties and quantities, ultimately producing higher quality wines for a better price.”

“It’s important to have a complete ERP solution that covers all areas of your business because specific and isolated improvements are not enough. We must analyze the entire business process of our company to keep up with an ever-changing market.”

