



DTN PROPHETX[®]

CASE STUDY

Sunshine Mills, Inc.

Red Bay, Alabama

Sunshine Mills is a pet food manufacturer based in Red Bay, Alabama. After 50 years in industry, this family-owned business has grown into one of the top producers of pet foods and pet snacks in the country, with more than 600 employees and annual sales of over \$165 million. Sunshine operates six production plants in the Southeast.

The challenge

Sunshine's products compete with some of the best known brands in America — icons like Alpo, Kibbles & Bits, Friskies, and Gravy Train sold by publicly-held giants like Nestle, Purina, Kraft Foods, and Del Monte. So to stay competitive, it's critical that Sunshine maintains strict cost control throughout its operations.

"We buy everything that goes into the product and the manufacturing process — grains, proteins, natural gas, packaging — you name it," explained Tom Murray, vice president of procurement at Sunshine Mills. "We need information that touches all the different markets we deal with, and that information needs to be timely and presented in a way that actually helps me make purchasing decisions."

The DTN solution

In 2003, Murray found the perfect tool to support his diverse purchasing needs— "A friend of mine works for a large grain company, and he had DTN ProphetX," explained Murray. "I saw the system and liked what I saw."

Murray considered competitive systems, but was familiar with DTN and felt DTN ProphetX was easiest to use and offered the best value of any system available. He was also impressed with the robust set of decision support tools built into DTN ProphetX. "I liked the variety of charts that DTN offers and I knew I could use a lot of the different technical tools that come with DTN ProphetX," said Murray.

The results

Since deciding on DTN, Murray has found that DTN ProphetX has become an integral part of his daily routine.

"I check the system first thing every morning for news and an overnight trading update," said Murray. "I also look for anything that might affect our key markets during the day."



I look at both domestic and international weather. I use the news filter so I don't have to sort through and find what I need. I use the standard charts all the time — they're very good, so I don't feel a need to create my own."

While Murray is the primary DTN ProphetX user at Sunshine, many people at the company have free access to the system, and the information it provides definitely comes into play as Murray works with others at Sunshine. "When I go to discuss our risk management position and strategy with the president of the company, I print charts from DTN ProphetX that support the decisions I make," said Murray. "We also use the system for the transport side of our business.

We keep an eye on weather conditions to make the most efficient use of our truck fleet. We watch for storms that might threaten driver safety — there's just no sense in sending someone out if it's icy."

And Murray finds that the real-time information he gets from DTN ProphetX can be critical in staying competitive. "When making some decisions, I need to have instantaneous quotes. It allows me to make decisions based on the best information that the rest of the market may have," said Murray.

The client's view

"DTN ProphetX puts everything in to one place so it really simplifies the information gathering and decision making process. It's a tool I have to have to stay competitive."

Tom Murray, Red Bay, Alabama

