

IFS APPLICATIONS™ HELPS SILVERMILL GROUP FACE CLIMATE CHANGE CHALLENGES



Silvermill Group is an international producer and supplier of coconut products. Headquartered at the site of its manufacturing facility in Giriulla, North Western Province, Sri Lanka, the last decade has seen the organization diversify its operations and expand its innovations into the renewable energy sector, taking advantage of the demand for biomass.

Despite enjoying a period of tremendous growth in recent years, Silvermill Group has had to contend with complex macroeconomic challenges—notably the impact of climate change and the subsequent shortage of raw materials.

By adopting an extensive suite of enterprise applications from IFS, Silvermill has been able to improve operational efficiency, make better use of its data and increase profitability.

RAW MATERIAL SHORTAGE CAUSES COMPLEX CHALLENGES FOR SILVERMILL

Silvermill and its subsidiary companies have experienced huge growth over the last five years. But a shortage of raw materials for its core business in the supply of coconut ingredients has seen the organization expand its operations beyond its base in Giriulla.

As CEO and Managing Director of Silvermill Investment Holdings Suresh Silva explains, “We had supply constraints in Sri Lanka because at the moment we use 700,000 coconuts a day. So right now we have to go to all areas in Sri Lanka that have coconuts—from the south right to the north. We have about 2,500 people working on that and in our plants [in Giriulla].”

The recent diversification and rapid expansion of operations at Silvermill has also presented management with a resourcing challenge. The company adheres to a strict policy of staff retention, and because it has expanded in new directions, it has been hamstrung by a lack of options when it comes to bringing in new people that are readily equipped to take on fresh roles and tasks. In Silva’s words, it has had to make “old hands fit into new roles.”

More broadly, the company has also faced challenges from the wider market. With similarly rapid changes taking place in the global market, customer demands and needs are becoming more sophisticated and complex. As a result, Silvermill has had to adopt a more agile approach to business and use systems and operations to match it.

HARNESSING THE POWER OF DATA TO IMPROVE EFFICIENCY

All seven members of the Silvermill Group of Companies are now using IFS Applications, utilizing almost the entire suite to help drive operational efficiency.

Due to its complex business model, Silvermill requires a robust yet flexible system, and while other providers offer rigid systems, IFS Applications caters more closely to Silvermill’s needs thanks specifically to its accuracy and time-efficiency.

ABOUT SILVERMILL

Established in 1920 by Anthony Silva, Silvermill Group remains under the management of the Silva family today. To support its craft of growing, plucking and processing coconut products, it maintains a dedication to the use of the latest innovative technologies.

Silvermill supplies ingredients to the likes of Kellogg’s, Nestle, Mars, Cadbury and more. Silvermill coconut products feature in everything from isotonic beverages and confectionary to fruit juices and cereal bars. It also produces Virgin Coconut Oil, a cooking product that can also be used to condition hair and moisturize skin. Altogether, Silvermill currently has around 50 products in export markets.

Since 2007, Silvermill has used its resources to enter the renewable energy sector—specifically biomass energy solutions. This project placed the environment at the forefront of the organization’s agenda. Silvermill Group of Companies has since been restructured into two sectors: Food & Beverage and Renewable Energy.

BENEFITS

- Improved operational efficiency
- Access to more data than ever before
- Maintained their staff retention policy and commitment to innovation
- Robust yet flexible system to match their needs
- Increased revenues and maintained cost levels at optimum level

Adopting IFS Applications has also enabled Silvermill to better harness the data it has and access new data that was not previously available. Business analysts use IFS solutions on a daily basis to capture data at source, using it to generate management reports for the business. Thanks to the user-friendly interface, the process of gathering data is simple and time-efficient.

As Cedric Wijegunawardene, Group Financial Officer for Silvermill Holdings, explains, "Using IFS Applications has created a hunger for more information. It has become a science to help us better understand our business. IFS has been a critical partner to our growth. We have increased our revenues and maintained cost levels at their optimum level. Over the last two to three years, we have grown over 80 percent while cutting our operating costs to a bare minimum."



“Innovation is part of our whole DNA because the one way that people stay ahead of the competition is to be noted. To be noted, we need robust support systems to help us. Without that, we won't achieve our goals.

We are currently using almost the whole suite of IFS Applications. We have ambitious plans globally and we know that we can rely on IFS. With that, I can focus our attention towards developing markets, understanding different cultures, legal requirements, and ultimately getting the job done.

Cedric Wijegunawardene, Group Financial Officer, Silvermill Holdings



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[IFS.world/SilvermillGroup](https://ifs.world/SilvermillGroup)



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