

SH þjónusta  
IFPC Services

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# eBusiness Strategy of IFPC

Kristján Hjaltason – IFPC Services

**Icelandic**  
FROZEN SEAFOOD

**Icelandic Group**

- Coldwater Seafood US
- Coldwater Seafood UK
- Icelandic UK
- Icelandic Germany
- Icelandic France
- Icelandic Ibérica
- Icelandic Japan
- Icelandic Norway
- IFPC Services
- E-Services

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## Overview


- IFPC – icelandic
- Our Business
- eIFPC
- eAhead

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## IFPC – icelandic


- IFPC is a leading marketing and production company in frozen seafood.
  - Secondary processing factories in the US and UK and marketing and sales companies in the US, Europe and Asia.
- 2001: Turnover \$570 profit \$6,6m and 1.200 employees.
- History:
- IFPC was a sales cooperative until 1996, when it became a Ltd. Company and from 1998 its stocks were traded on the Reykjavík Stock Exchange
- IFPC had exclusive sales and marketing contracts with producers in Iceland and abroad. They were all cancelled from 1.1.2000.
- Major restructuring in 1999.
  - IFPC became a holding company,
  - Operation in Iceland reduced by half.
  - IFPC Services founded, took over activities in Iceland apart from the Holding.
  - Marketing companies became independent profit centres.
- Business is directly between the marketing companies and producers.
- IFPC has always placed great importance on the link between primary production and the markets.



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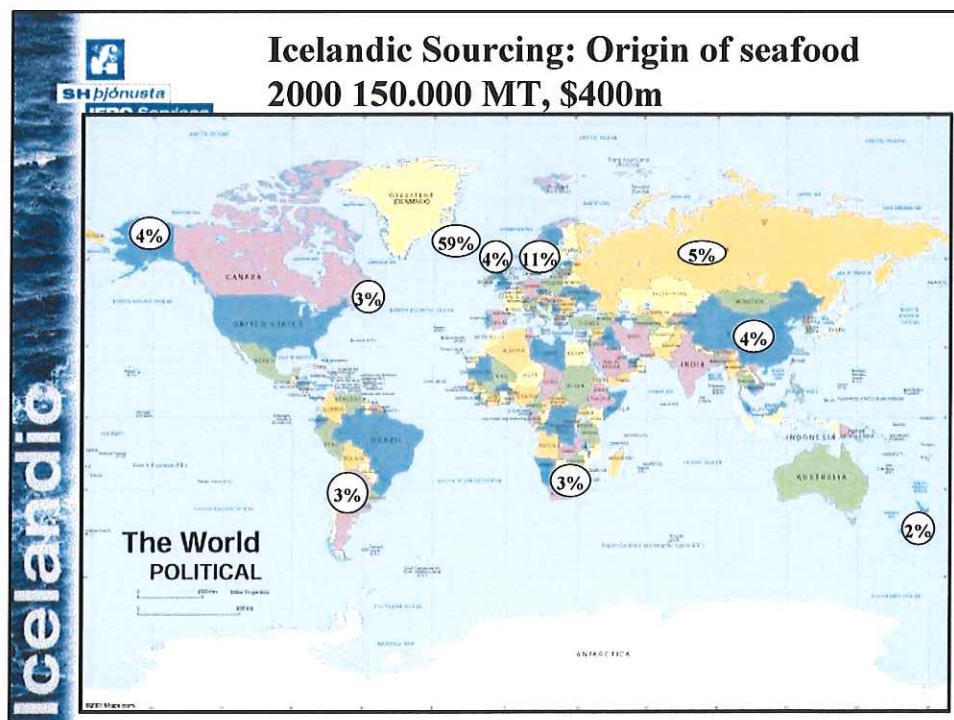
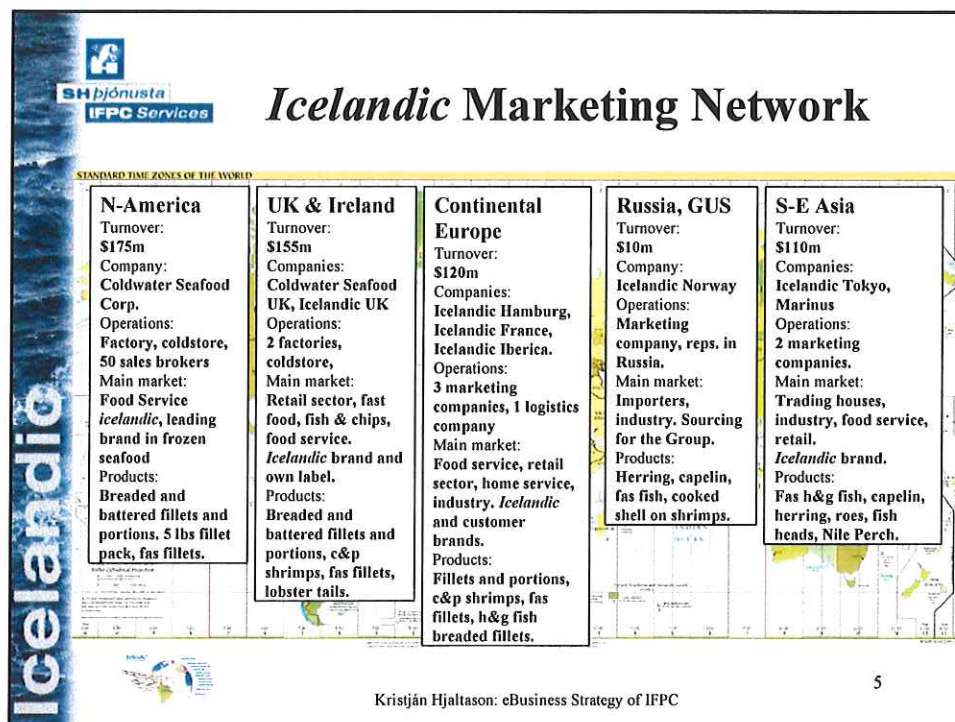
## IFPC – Policy marked in 1999

- The policy of IFPC is to be a strong production- and marketing company in added value-, frozen- and chilled seafood where the company can add value which will support acceptable earnings.
- Growth will come from sales under own brands on the food service sector as well as using the opportunities in retail where the company can build up a leading position.




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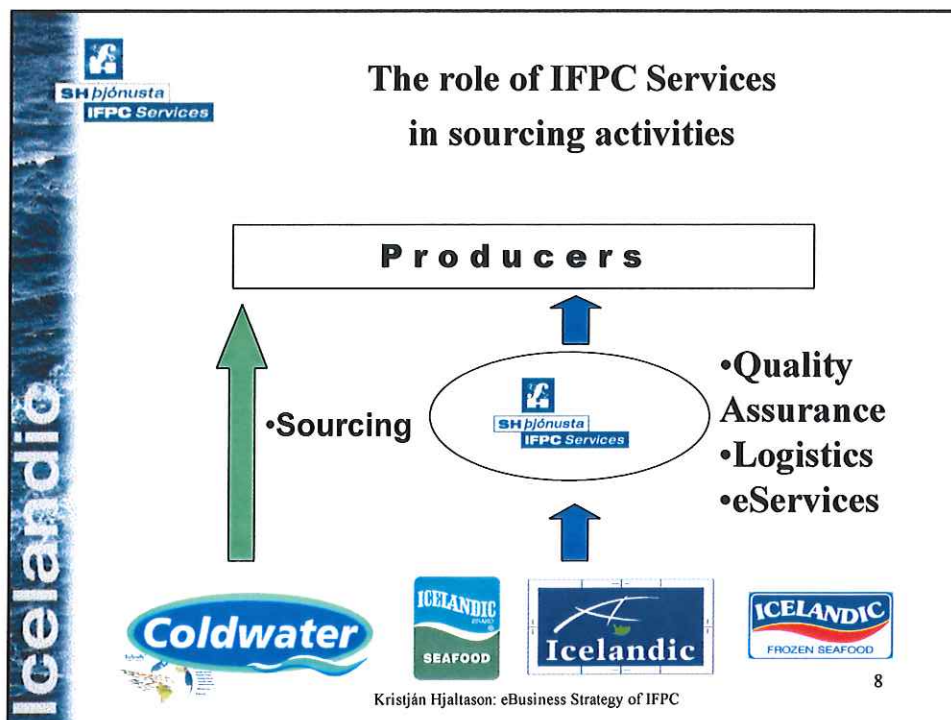
## IFPC Services

- IFPC Services is a daughter company of IFPC Holding.
- It is a service company of the IFPC marketing and production companies. It is a cost centre expect for packaging sales.
- There is a service contract with the marketing companies stating monthly payments or payments are based on usage.
- The main areas of operation are:
  - Quality Assurance, service to land and sea production.
  - Logistics services
  - eServices
  - Packaging sales to seafood processors.
  - Operations management for the Holding and other activities in Iceland.
- Main operation is in Iceland, but service is also provide to buying in other countries.




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## eIFPC


- What is eBusiness to IFPC?
  - The use of the internet and the electronic transfer of data within the company and with third parties.
- The aim is to use the possibilities of the internet and IT where it is economical and practical and where we can increase our competitiveness.
  - That includes cost savings, reducing mistakes, increasing speed and reliability in doing business.
- The eBusiness environment includes:
  - The Group itself;
    - E-mail, main software (AS400, Navision Financial).
  - Suppliers;
    - Sourcing, Quality Assurance.
  - Service companies (logistic, banks, coldstores);
    - EDI, eXML.
  - Authorities (customs);
    - EDI, eXML.
  - Customers;



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## eIFPC – cont

- The fishing industry in Iceland has always been technically advanced and development of machinery and software for the industry has been ahead of many other countries.
- IFPC: No one strategy decided for the Group except the homepage.
- We have started to use it for B2B in sourcing: called *eServices*.
- Implementation.
  - All companies are independent in their daily business.
  - IFPC Services sold the idea to the marketing companies.
  - Each pay a monthly fee for the running of it.
- IFPC in Iceland has a Navision Financial software and we are starting with ASP with a third party.
- Coldwater US is planning a web based ordering system for their sales brokers.
- IFPC Packaging will use the internet to sell and service their customers.



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## eServices

- eServices is an order processing and logistics information system.
- All software was written by companies in Iceland.
- Started January 2000. It is based on HTML and the user only needs an internet connection and browser software to run it.
- Each user has his own userid and password.
- All IFPC companies pay a part in running the system.
- Orders and shipments used by all IFPC companies for sourcing in Iceland except CSC has its own ordering system.
- Buyers and sellers have access to the same contracts. There is no disagreement about what was agreed to!
- All data stored in the informix data base in Reykjavík.
- 4 marketing companies have a link between their Navision system and eServices and the fifth will join soon.

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## eServices: Current use

**1. Orders are sent by the buyer and the producer confirms**

**3. ... the marketing companies are informed about delivery status**

**2. ... the producer is informed about what to deliver**

**4. ...and receive shipping information**

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## Quality standards

**Product Specifications (internet)**



**Labelling Instructions (internet)**



**Quality Manuals (books)**



**Product Inspections**  
People, reports, pictures via e-mail.



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## eAhead

- eServices is used for 50% of sourcing. Plans are to widen it out.
- eTransfer of data within the Group. E.g. Shipping and custom information.
- eLink with the suppliers: WiseFish
  - Product Info and labelling, orders, delivery info, invoices, quality reports, etc.
- What if we can use the new technology to change the distribution, i.e. look at if it can shorten our way to the end user. Will B2C be possible? The use of the internet could change the rules of competition.
- Linking with the customers.
  - Portals (WWRE, GlobalNetXchange,...)
  - XML transfer of data?
  - Other?
- Further links with logistic companies (transport, storage):
  - INTTRA.com
  - XML.
- ASP and a single IT system for the Group?

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## At last


- IFPC has successfully gone through major restructuring in 1999.
- Processing of the business information has always been complicated, based on high level of automation and need for reliability.
- The use of the internet and new software has been successful.
- eServices has given IFPC a tool that has enabled us to save cost, increase speed, reduce mistakes and given us a stronger position with suppliers.
- Many possibilities lie ahead in further use of the internet and data transfer in our business.



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## ***Icelandic The Leader in Frozen Seafood***

*icelandic.is*



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