



Smarter Farming: California's Sun World Transforms Produce Business with IBM Technology

Reduces use of natural resources, including 20% less energy

- | [Press release](#)
- | [Related XML feeds](#)

- | [Contact\(s\) information](#)
- | [Related resources](#)

ARMONK, N.Y. and BAKERSFIELD, Calif. - 21 Jul 2010: IBM (NYSE: [IBM](#)) today announced that Bakersfield, Calif. based agribusiness Sun World International LLC is harnessing IBM analytics technology to improve crop yields, reduce waste and expand its customer base, while providing more cost effective and energy efficient harvesting practices.

Sun World operates one of the world's leading proprietary produce variety development programs -- generating more than 60 commercial varieties. It grows an array of table grape, pepper, stone fruit and citrus varieties on 12,000 acres of farmland across California.



IBM Analytics -- Through IBM analytics technology, Sun World is able to evaluate which crops benefit most from newer drip irrigation systems and has decreased its water usage by 8.5% since 2006.

Facing ever-changing variables in consumer trends, weather, labor, fuel costs and water management, Sun World turned to IBM and Applied Analytix for a solution to better collect, track, interpret and disseminate real time information on everything from crop management to managing sales -- while maintaining top quality and controlling cost throughout their supply chain.

New analytics capabilities are helping this mid-size company redefine its business and bring innovative practices to the industry. Previous business practices were manual processes that made it difficult to deliver a timely, company-wide view of information to support decision making. Today, Sun World uses an IBM analytics technology that delivers predictive capability and deeper insight into crop yields, farm labor costs, water usage, growing patterns, and a wide range of sales and distribution processes. What previously took days to report can now be retrieved in minutes on a continuous basis and with greater accuracy.

"We've aimed to transform the company culture from a farming business where you 'grow and hope for the best' to one that uses information analytics to provide an accurate measurement of the business," said Sun World's Director of Budgets & Reporting Steve Greenwood. "Before, we didn't know until 30 days after the month how our harvest costs were trending. By that time, it was too late to start financial planning because the crops had already been harvested. We've turned raw data into business insight, improved our order fill rates, and have gone from being a reactive company to a proactive company."

Improving Crop Yield, Water Management and Sales

Smarter farming practices are helping Sun World determine how to develop, plant, harvest and sell the right products at the right time to the right markets. The system helps Sun World analyze numerous types of farming data, including root stock, timing, location, irrigation and crop type to predict which combinations of elements will bring the best crop yield at the lowest cost.

Water, the most precious resource in California's agricultural valley, is closely measured, monitored and conserved. A systems approach aids the operation in knowing how it is managing this vital natural resource. The company has carefully measured its water usage -- and through a variety of irrigation techniques has seen its water use per unit decline 8.5% since 2006.

Sun World evaluates per unit costs and revenue for each crop type to optimize harvesting and speed the 'field to shelf' distribution process. Sun World can also analyze how many boxes per hour each crew harvests to help maximize harvest investments. Overall, Sun World has seen a 10%- 15% reduction of labor and lower distribution costs between varieties. It can focus its resources on those varieties generating the highest returns.

The company realized an 8% efficiency increase in farm labor by analyzing man hours and focusing resources where needed, when needed. During the same measurement period the company has seen its use of fuel decrease by 20% by measuring equipment usage and matching the proper sized equipment to the proper application. The use of smaller equipment and modern fuel-efficient models is the result of having greater insight into its operations.

"The company that brought us seedless watermelons and a number of distinct proprietary fruit varieties is showing growers around the world how business analytics technologies can help create the right conditions for producing the best fruit while reducing labor costs, energy and water usage," said Paul Chang, Worldwide Business Strategy for Emerging Technologies. "In an industry where analytics is emerging as a core business transformation tool, Sun World is leading the way with a blueprint for other agricultural companies seeking to improve business processes and better serve customers."

Sun World is also using analytics technology and customer scenario modeling to optimize the sales planning process with key customers. This helps the company act on new customer insights and find new markets for their products while transforming its sales team from commodity salespeople to business managers.

Previously, Sun World's sales teams sold freshly harvested produce mostly on the phone, while quoting commodity prices daily to potential customers. By analyzing crop yields along with sales data and retail buying trends, Sun World can now better segment and target clients to build sales programs ahead of the season and ensure the right product mix is sold to the right market. At the same time, the solution reduces waste by helping estimate how much lower-grade fruit they can sell up front rather than sub-optimizing second tier products or selling at a loss. Thanks to these insights, key segments of Sun World's customer base have increased in size by over 20 percent year to year while generating more than \$3 million in new business in 2009.

About Sun World

Sun World International is a vertically integrated agribusiness company headquartered in Bakersfield, Calif. With one of the world's largest fruit breeding programs, Sun World has developed a quality line of fruit varieties sold under brands such as SUPERIOR SEEDLESS®, SCARLOTTA SEEDLESS® and MIDNIGHT BEAUTY® (grapes), BLACK DIAMOND® (plums) and HONEYCOT® (apricots). For more information on Sun World, visit the company's Web site at: www.sun-world.com.

IBM Engines of a Smarter Planet

IBM Business Partners are helping bring Smarter Planet capabilities to mid-size clients across the globe. visit: <http://www.ibm.com/partnerworld>.

Contact(s) information

Jennifer C. Clemente

IBM Media Relations
(917) 992 3147
jennic@us.ibm.com

Natalie Erlendson

Sun World International, LLC
(661) 631-4138
E: nerlendson@sun-world.com

Related resources

Photo

[IBM Analytics](#)

Through IBM analytics technology, Sun World is able to evaluate which crops benefit most from newer drip irrigation systems and has decreased its water usage by 8.5% since 2006.

Related XML feeds

Topics

Analytics

News about IBM solutions that turn information into actionable insights.

Energy and the Environment

IBM press materials focused on energy, environmental responsibility, and climate change.

Smarter Planet

News releases related to IBM's Smarter Planet initiative

XML feeds

[Feed](#)

[Feed](#)

[Feed](#)

[Build your own feed](#)

[New to RSS?](#)