

Case study

## Ace Beverage

Going Mobile and  
Wireless Eliminates  
Distributor Overtime



### At a glance

**Industry:** Direct Store Distribution

**Application:** Sales Delivery

### The Challenge

Even though Ace Beverage Co., one of the ten largest beer distributors in California, was already using a pre-sales concept, it wanted to refine its abilities to track information on orders, build loads on time and manage driver and loading crew overtime. Most of the tracking issues involved deliveries to large chain grocery stores, where volumes are sizable and customer relationship management is one of the keys to increasing sales.

A major challenge of the pre-sales concept is gathering and sending data from the field to the distributor's warehouse by a fixed deadline.

"We tried to get all our orders in by 6 p.m. each night, and the trucks started rolling out of the warehouse about 5 a.m. the next morning," explained Mike Krohn, vice president of finance and administration at Ace Beverage, a major Anheuser-Busch distributor.

"That gave us 11 hours to dispatch and load the trucks. If it's a heavy night and you have hiccups, you end up incurring overtime in the warehouse. If it's a bad

hiccup, your drivers get started late and you start incurring overtime with the drivers as well. It has a snowball effect." If a sales rep was late getting back, his orders would have to be uploaded, then sorted by dispatch. Dispatch would take from 1 to 1 1/3 hours to complete its job of sorting the loads by truck and driver, so oftentimes loading would not begin until 7:30 p.m. Typically, that led to late loading and late truck departures – and overtime.

### The Solution

The first step was to provide its pre-sales force with new tools to reduce the time it took to send orders from the field to the warehouse and load delivery trucks, as well as to maintain searchable electronic records.

MiT Systems' EzSales, a field-force automation and customer relationship management (CRM) software solution, was chosen. MiT recommended Intermec Technologies' Windows-based mobile pen tablets as the hardware of choice, AT&T VPN (virtual private network) and Sierra Wireless Air Card to build a wireless data system that could communicate real-time throughout the day.

EzSales' uniqueness lies in the fact that transmission of data to the host system is not delayed; it is sent as needed throughout the day. This ongoing transmission of data is critical for wholesalers that handle high volume, high turnover accounts. In addition, the system had to integrate with the distributor's existing enterprise resource planning system, designed specifically for beverage wholesalers.

Ace Beverage chose to equip its 11 chain store pre-sales reps with Intermec mobile pen tablets. "Now, basically every hour or so the pre-sales rep can tap the upload key on the Intermec mobile computer screen and we start getting data," Krohn said. "We ask our reps to start sending in data by 10 a.m. and finish sending by 4 p.m."

"With the wireless system, when orders are in house by 2 p.m., we can start building loads by stops and we have a tremendous jump on our loading process," Krohn said. "We can start preparing loads early by picking the products from the warehouse inventory and staging them without loading them onto the trucks."

### The Outcome

"For us, one of the major benefits it's accomplished is that we're not running into overtime," he said. "This system eliminates the problem before it happens. Right now, we estimate the mobile computers, wireless system and software are saving us 15 to 20 hours in driver and loading overtime each week. Additionally, we are expecting a cost saving of approximately \$50,000 for warehouse equipment we didn't have to buy."

At this point, the rep can send the order from his mobile computer wirelessly over the wide area network to the sales order server in seconds. It is quick, because the mobile computer is sending only a condensed file, not an entire set of database records.

"With the computer, you key in data once and the office never has to re-key the order," Krohn said. "It saves a lot of time on the administrative side as well. From the sales rep's point of view, it saves him time because it's a lot faster to put data into the computer once. Plus you have much more

information on the mobile computer. It is unlimited as to how far back the reps can go for sales and inventory information."

Time is one of the largest benefits of the system for Krohn. "Our pre-sales staff has a set number of calls to make each day and this system enables them to do more merchandising on the account and to have additional time to sell items to the retailer."

Because of the high degree of automation afforded by the new wireless data collection system, pre-sales reps can now spend an extra 60 to 90 minutes a day visiting with and selling to their customers. "And that's important in our industry – that face-to-face time with the retailer," Krohn said.

The new wireless, automated pre-sales system is working so well that Krohn is thinking of giving more time to other departments to build customer satisfaction by expanding the automated system. He has 21 other pre-sales reps that may soon be experiencing the wonders of wireless mobile computing.

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