

Computer Software

Revolutionizing the way foodservice manages its produce acquisitions.

BY BILL JOHNSON

Software programs are making their way through the foodservice supply chain. Many changes are impacting the way perishable foods move through the distribution system, especially for restaurants and other foodservice operations.

Warehousing, inventory and shipping operations have become more efficient, thanks to a variety of software programs that save time and money. As distributors face increasingly complicated and far-flung logistical issues, software program developers are producing new systems to help order, store and ship fresh produce.

But beyond data collection and inventory control, software vendors are offering produce distributors and suppliers "management systems" that help them make critical management decisions.

Leroy Meyer, director of business development for Dimensional Insight, Inc., Burlington, MA, says a major problem produce distributors face in terms of managing and tracking sales is an inability to view data in an organized format. "They can create it, but they don't have a way to access it," he explains.

Advanced computer software organizes this data so produce distributors can more easily access and manage information.

"If you don't move it, you'll end up dumping it," claims Henri Morris, president of Solid Software Solutions, Houston, TX. "There's no way some of our clients could keep track of critical dates without this technological help." Solid Software offers distributors programs that use inventory lot numbers to verify how long a product has been in the warehouse, a crucial consideration for foodservice operators requiring ripe and ready-to-eat produce.

Don Walborn, vice president sales and technology, Kirkey Products Group, Longwood, FL, describes his niche as being on the supply side, serving people who grow,

pack and sell. "When a product comes into a customer's packing shed, my job is to know where it came from. Our software gives the product an identity from when it crosses the scale at the packing shed until the time it leaves the yard." In the case of a recall such as last year's Taco Bell *E. coli* incident, this type of software is essential in determining how widespread the problem may be.

Software does more than track products. Software programs enable distributors to build loads faster and create more accurate shipping records, eliminating errors. Walborn says the system cuts down on labor and reduces costs. Lower costs throughout the supply chain can lead to greater profit on menu items.

"Because of better information through software," Morris says, "we can almost guarantee 2 or 3 percent increase in growth."

According to Jeff Waters, national account manager, John Deere Agri Services, Lathrop, CA, integrated systems are extremely helpful to all sectors of the industry. For example, a grower who collects a variety of data from multiple packing lines will need to take time to access the data when he wants to answer a question. But "with the integrated system, he can have immediate access to any data in real time in one place." Waters says. Once again, this impacts the food-safety and traceability issues that have become paramount.

"Keeping track of your costs is important," says Mark Van Leeuwen, president, Measure Systems, Inc., Las Vegas, NV. "If you know the true cost, you can take advantage of the market. Knowledge is power. If you know the situation, good or bad, you can do something about it."



Increasingly sophisticated software helps foodservice operators with inventory and quality control and are an essential food-safety link.

Charles Ward, president of WaudWare, a software developer based in Brampton, ON, Canada, believes software solutions can greatly improve operations and profitability throughout the supply chain. This, of course, is significant for the end user.

Early in the supply chain, growers and producers "can take more orders, keep the number of errors down, and keep on top of cash flow." WaudWare offers the Produce Inventory Control System (PICS), solutions software that provides users with a flexible costing system, a line-by-line display of

inventory and profits, and a warehouse transfer system.

TEAMING UP TO IMPROVE EFFICIENCY

Dimensional Insight supplies intelligence software, also known as analysis and reporting tools, to a variety of businesses, including Naturipe Farms LLC, which wanted to find a system to better manage inventory, track sales and supervise promotions. Dimensional Insight's Diver technology was the perfect fit, Meyer says.

Here is how it works: Throughout the day, Diver collects data from a variety of departments including sales, marketing, accounting and inventory. That data is integrated into the system, analyzed and organized into easy-to-access reports. "An executive can come in each morning and access all information gathered from the day before," says Meyer about the software's "dashboard" tool. "It's reporting on the fly."

On the sales end, the sales team can use the software to access graphs, tables and other data about what they have sold, how much they have sold and where they have sold it. This information can provide food-service distributors and wholesalers servicing foodservice accounts a direct look into what is currently available and what is in

the pipeline.

Randy Fields, chairman of Park City Group, Park City, UT, says technology has become much more sophisticated at the foodservice level in the past several years. And he should know: His wife Debbie is the moving force behind Mrs. Fields Cookies, which operates some 4,200 locations.

More and more distributors, and even individual operators, are turning to software companies like Park City Group to receive management applications and consulting for their foodservice operations.

Park City provides a variety of applications aimed at reducing out-of-stocks, decreasing shrink and boosting sales, Fields says. For example, Fresh Market Manager offers precise item management, forecasting and production planning, computer-aided ordering and on-hand inventory data.

"It's the best way to get the proper levels of inventory, so that you don't have too little or too much, which becomes shrink," Fields says. "If you have the software in place to manage these factors properly, you will improve the quality of your produce which will drive up sales and customer loyalty."

KEEPING FOOD SAFE

High-tech tracking tools can help keep

food safe by preventing the spread of diseases that pose a threat to prized produce. Measure Systems' Van Leeuwen says software programs can work as critical audit and recall tools for tracking labor, yield and productivity in real-time.

For example, if a foodservice distributor or restaurant receives a shipment of produce and some is rotten, Measure's integrated software systems can trace the box back to find out when it was received, how it was handled and who handled it. "This is particularly important during a time when retailers are dealing with food safety issues," he says.

Because produce is "God-grown," Van Leeuwen adds, it is very susceptible to potential diseases. But with a good tracking system, distributors can prevent the spread of diseases if they can quickly determine where the bad produce is coming from. "You can stop it if you know you bought 50 cases of the item on lot XYZ. To have that traceability is paramount."

Charles Shafae, president of dProduce Man, Half Moon Bay, CA, claims knowing the point of harvest is especially important if contaminated food needs to be recalled. His software can track produce from the field where it was picked to the market where it was delivered. Similar to how Fed Ex tracks packages, the software uses Radio

Compatibility And Interconnectivity

Food distributors are using a variety of software programs, yet not all systems may be compatible or able to interface. Full interconnectivity is critical for users who need to connect online.

"We do it all the time," says Charles Shafae, president of dProduce Man, Half Moon Bay, CA. "We provide 'open architecture' that is able to be customized for every location." His customers and their customers may already have a presence on the Web, and they need to be connected.

Connie Taft, president and COO, Integrated Knowledge Group Inc., Bakersfield, CA, says, "If you've got an integrated system, you can improve your customer service and manage a wider breath of product. Speed and turnaround are major benefits."

Her company offers ProPack, an integrated accounting software system specifically created with the produce industry's needs in mind. The software allows users to access and analyze data directly from other reporting tools, such as Microsoft Excel. "Everything is updated in real time," she says. "This allows users to quickly and accurately make critical management decisions." **pb**

Frequency Identification (RFID) and a microchip containing information such as the product's date, time, product code and agricultural field.

"If there's a recall, such as the big spinach one last summer, and you don't have the proper traceability, you have to notify everyone to find out who touched it," says WaudWare's Waud. "But with the right kind of technology in place, you could call the one specific supplier and trace it back to the farm it came from. This technology could have prevented perfectly good spinach from going to waste."

MEETING CUSTOMER DEMAND

When software developers look at the future demands of their customers, they see many challenges. Shafae anticipates customers expecting systems that can operate even faster. "In the United States, when people want something, they want it right away," he says. "And the new generation of younger managers are more knowledgeable about computers."

In the past, ordering was done over the phone, then by fax and then by e-mail, Shafae notes, adding even e-mail is no longer fast enough for some people. "I'm always thinking about what my customers' customers want," he explains. "They want to put in an order instantaneously on the Web. Everything is going to the Web because the world is getting smaller. What used to be mom-and-pop businesses are now competing against the world, and they constantly need new tools to compete."

Constant R&D is required, agrees Kirkey's Walborn. "The demand for service

is not just to make the current operation more efficient but to look ahead at the customers' needs and help them make management decisions." He wants to be able to predict the customer's future needs before the customer asks for them. "We're not just a supplier; we're a consultant," he says.

Tim York, president, Markon Cooperative, Salinas, CA, says, "Clients rely heavily on us. They ask us for new ways to evaluate data, and we develop some in-house."

LOOKING AHEAD

Software providers see opportunity for development. "The future of the business is phenomenal," says Solid Software's Morris. "It's evolving all the time. We have abilities I wouldn't have dreamed about in past years."

Kirkey's Walborn notes the future will require a move to a certain kind of standardization. "If we're going to reap the benefits of technology, we're going to have to be standardized in the food and software industries," he says.

Purchase orders look different from one buyer another, he explains. With standardization, all players would use consistent nomenclature. An order for "large oranges" from one company will mean the same thing as "large oranges" from another. "I think everyone would like to see a standard," Kirkey adds. Before that time comes, though, he sees an interim growth in the use of "middleware" or software that translates one buyer's forms into another.

With R&D, software vendors are racing to offer new functions to increase their customers' efficiency and productivity. "It's a crazy business because it's changing so fast," says John Deere's Waters. **pb**