

Natural Products Retail Chain Maximizes Profits and Resources with ECRS Catapult and Supplier Gateway Solutions



Fruitful Yield is a 10-store Natural Products retail chain located in Illinois. Over the years, they have implemented several point-of-sale (POS) systems to help them better manage a demanding chain enterprise. At times, this was a frustrating task and created more strain on store staff and management than it alleviated. Tired of spending hours in crisis mode and frustrated over inefficiencies, General Manager, Dave Reczek and POS and Administrative Support Manager, Catherine Eugenides began to look for a new system that could provide not only basic POS functionality but complete, front-to-back enterprise automation. The chosen system was expected to be stable and maintain reliable technical support. In the end, Fruitful Yield chose to implement one of the first systems they evaluated years prior, CATAPULT™ by ECR Software Corporation (ECRS). Since installing the ECRS Catapult system in early 2007, Fruitful Yield has worked closely with ECRS to utilize a system to fit their needs and maximize business results. They report noticeable profit gain, significant time-savings and improvement in overall efficiencies across the chain. ECRS recently spoke to Catherine about how Fruitful Yield implemented a true enterprise solution and how other retailers can benefit from their example.

Please describe your role in the Fruitful Yield Organization

I have been at Fruitful Yield for 11 years and have held multiple positions within that time. Currently, I am responsible for multiple tasks within the organization including IT, POS maintenance, data entry, information management, project planning and assisting the General Manager.



Explain a bit about the decision to implement ECRS' Catapult retail automation system.

We began looking at replacement options for our original system in 2003/2004. At that time we tested Catapult, but for reasons outside of my control, we chose to go with another system. The system we installed did not work for us. We then installed yet another system. This system also failed, and we continued experiencing numerous problems. My life was basically a nightmare because of around-the-clock calls and multiple system issues. We brought in the ECRS Catapult system to test for 90 days at our Lombard location. After extensive testing, we installed the remaining stores. This was in 2007. We currently have ten (10) stores running Catapult, and I have my life back.

POS systems are becoming increasingly relevant in today's retail environment. What are some key benefits to installing a POS system with inventory management capabilities?

Stores today need to have the tools available to closely monitor store activity. Maintaining/tracking margins, monitoring item movement, comparing departments, general sales data... It's all critical to being successful. It is also important to provide customers with the checkout speed and accuracy they expect.

What specific benefits does the ECRS solution provide? What are some key features and functionality that make this a better fit compared to other systems you have installed in the past?

Catapult provides very detailed data and useful reporting functionality. The data we pull directly from Catapult reports helps us to determine item placement, item marketing, sales and promotions. Because we know what is selling and what our customers want, we know what to stock. We also use the system to efficiently run and monitor our discounting programs. Internal store processes and cashier monitoring are important aspects of effective business management. Catapult provides the tools needed to do this easily. I notice with each software update, the system gets better and better. It's not a static solution and is constantly being updated with new functionality. Everything within Catapult is nice and consistent. This makes it simple for everyone. Cashier training is very easy and fast.

Explain how your stores are set up and what specific solutions (hardware and software) you are using.

We are using Catapult with multistore functionality. This provides the ability to manage all stores from one, centralized location. Nine of our stores have two (2) registers each and one (1) store has three (3) registers. We use the Catapult Appliance Server (CAS) to host each store. Over the past year, we have also started using the ECRS Supplier Gateway™ service combined with Auto-Replenishment functionality to manage our ordering and receiving processes.

Fruitful Yield's Solution

Catapult™ POS for Multi-Store
Catapult Appliance Server (CAS)
ECRS Supplier Gateway™
ECRS Retail Consulting Services
ECRS Gold Support

Why did you decide to implement the ECRS Supplier Gateway service?

Basically, we didn't want store managers spending all of their time ordering and receiving inventory. **Implementing Supplier Gateway was justified to save time and company resources.** We didn't want to continue ordering based on what managers *thought* was selling or what we *felt* customers would probably like. There was too much subjective personal influence over inventory items that were going on our shelves. **Orders are now based on actual, objective sales data and forecasting.**

We brought in an ECRS retail consultant to look at hard data in order to arrive at a definite decision. We compared *system generated orders* to *manually generated orders*. The decision was made directly from those results. The majority of items being ordered were the same, but some of the items were off. We closely looked at why these specific items were different between orders. Some of the items included in the system generated order were simply missed by the store manager during inventory count. We had one manual order with an item that the system generated order did not include. After reviewing, we discovered there was only one of that item left in stock, but the item had been there for months and was not a product that sold and should therefore not be replenished. We ran a few of these trials and in every case the system generated order was more accurate.

ECRS Supplier Gateway™ – EDI Technology

Think of EDI technology as a two-way, data super-highway between your store and your supplier(s). Basically, ECRS has developed an interface linking ECRS' Catapult software with your supplier(s) to allow for automatic electronic transfer of purchase orders, cost updates, invoices, shipping notifications and promotions with little to no user intervention. This ECRS solution is referred to as Supplier Gateway™.

What are some of the benefits to using Supplier Gateway and Auto-Replenishment?

Managing ten (10) stores with full-perpetual inventory is not easily achievable without Catapult and Supplier Gateway. Currently 70% of our inventory is ordered through Supplier Gateway from our two main suppliers. **We could open another store just from what we saved in inventory related costs since implementing this system.** Our inventory turns have improved greatly. In one Fruitful Yield store, total inventory was \$320,649. This equaled \$8.59 in inventory for each dollar in sales. Seven (7) weeks after installing Supplier Gateway and using Auto-Replenishment, and after an overall increase in sales, total inventory stood at \$329,588 or \$8.41 for each dollar of sales. This represents an overall improvement of 2.1% in the total inventory to sales ratio. For our main supplier, the inventory to sales ratio improved by 28.5% in seven (7) weeks. For this supplier, we began with \$8.91 in inventory for each dollar of sales and ended with \$6.37 in inventory for each dollar of sales.

The overall time savings has also been substantial. **An order that used to take us 20-30 minutes to process now takes 30 seconds, and we are saving 40-50 hours per week in inventory receiving.**

We have used the time savings to do other things like making sure all customers are greeted within 30 seconds of entering the store, working on background projects for inventory, improving floor selling techniques and closely monitoring customer activity to prevent theft. It also makes it so much easier for people to be out for vacation or sick leave.

Auto-Replenishment with Catapult

The second piece to maximizing the benefits of Supplier Gateway is Auto-Replenishment (sometimes referred to as Auto-Reorder). You set-up inventory and ordering parameters within your point-of-sale (POS) system, and the system automatically generates orders based on information gathered from the powerful forecasting engine. This information comes from real historical data. The system will also take into account sales trends and seasonal fluctuations. You pull up the suggested PO, review, make changes and click to submit. Supplier Gateway takes it from there, alerting you to progress along the way, until the inventory arrives at your store.

Would you recommend ECRS retail automation solutions to other retailers?

Yes. It's important that you take the time to choose the correct system and invest the resources to ensure everything is set up correctly. It takes time. Implementing a system like this doesn't happen overnight, but the results are amazing. ECRS gave me my life back.

*Real-time, web-based
ECRS Supplier Gateway
dashboard*

I-0000447-HQ 02/23/09 2:25 PM Tree of Life Natural Health	Purchase Order COMPLETE ✓ 03.06.09 3:10 PM	PO Ack COMPLETE ✓ 03.06.09 3:11 PM	Ship Notice In Progress 	Invoice Pending 	WS Update Pending 
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What can Supplier Gateway combined with Auto-Replenishment do for your retail business?

- ✓ Utilize the powerful forecasting engine to create orders based on real objective historical data
- ✓ Prevent dead-stock inventory from wasting precious space on your shelves and consuming capital
- ✓ Improve customer service by stocking what customers want
- ✓ Easily monitor and maintain price margins
- ✓ Receive automatic cost updates from the supplier
- ✓ Avoid costly pricing mistakes caused by human error
- ✓ Use real-time data to plan sales and promotions
- ✓ Maximize item placement by easily determining your top-selling and top-margin items
- ✓ Rely on detailed, accurate data that is easily accessible

ECRS. Real Solutions for Independent Retailers.



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