

DeltaOne Software, Inc.

Barcoding Systems from Concept to Completion



Double Check Software

Inventory software for public warehouses

Customer Profile

U.S. Growers Cold Storage is one of the largest, independent refrigerated warehouses in the United States. The company stores and distributes frozen and refrigerated foods for grocery chains and meat brokers.

U.S. Growers has eight warehouses and over 12 million cubic feet of storage. Its 200 employees fulfill thousands of orders each week – 24 hours a day, seven days a week.

Business Situation

U.S. Growers largest customers demand semi-annual physical inventories of the merchandise they ship out of their warehouses. Their customers typically would send over a half dozen data entry clerks to key in the count results. This was labor intensive and error prone. Warehouse supervisors would work overtime to prepare inventory tickets throughout the week. Saturday would be spent counting and doing data entry, and then Sunday would be spent trying to reconcile the errors. There were long days, with lots of overtime, and it had to be finished by Monday morning so they could resume shipping out orders. Often there was never enough time left to really audit the results or verify its accuracy.

Solution

Using DeltaOne's *Double Check* inventory software and Intermec portable barcode terminals, U.S. Growers was able to finish counting by three o'clock on Saturday afternoon. Each item was counted twice by different teams to insure accuracy and prevent fraud. *Double Check* reported any variances between the counts, and triggered a recount by supervisors. By five o'clock on Saturday evening, the inventory was finished and verified. No data entry clerks were required – saving their customer over 50 hours in overtime.

Equipment Used

DeltaOne Software's *Double Check* Inventory
Intermec Data Collection Terminals
Zebra 105SL Label Printers

Partners

DeltaOne Software, Inc.
2841-G Saturn St
Brea, California
800-4DELTA1
www.deltaonesw.com

Physical inventories are frustrating, expensive, and necessary. Using DeltaOne's *Double Check* software will greatly reduce the errors and the time required to perform this essential task. While it will not reduce the time required to count the inventory, it eliminates the data entry and the resulting errors it produces.

Unlike traditional inventory systems, *Double Check* lets you count only the locations and items you select. For public warehouses with multiple clients, this system lets you perform an auditable, physical inventory of just one client's items. Instead of using multipart paper tags, *Double Check* produces barcoded inventory control labels. These labels are similar to the tags. Each label is uniquely numbered to allow for auditing, but the labels are barcoded and thus can be quickly and accurately scanned.

The tags also make it possible to use a barcode scanner on items that are not barcoded or are poorly marked. Products from small manufactures and foreign markets often lack outer barcode markings. *Double Check* also lets you identify products by SKU or receiving lot number *before* you start the physical count. You then print out the inventory labels and pre-attach them to the items or bin locations prior to counting.

U.S. Growers Cold Storage

A Semi-Annual Nightmare

"I am glad its raining today," said one forklift operator, "its my son's first Little League game and I am going to miss it." Even with overtime, most employees dreaded the semi-annual inventory. U.S. Growers' largest customer required it and this typically required working two, 12-hour days, in a sub-zero freezer.

Every six months U.S. Growers would assemble eight teams of two employees, to tag and count, all the items that a large grocery chain had in storage. Besides the teams, it required all the supervisors and even a few managers. "[The client] would send over half a dozen data entry clerks to key in the counts", said Operations Manager Ralph Newton, "and everyone was on overtime." Besides having to justify the inventory variances, he had to justify all the overtime and related expenses to his client.

Besides being expensive, many doubted the accuracy of the count. "We would spend hours sorting and counting little paper tags," said warehouse supervisor Dino Giancaspro, "and every time we would get a different number. It is so frustrating." Both U.S. Growers and their clients were never sure the count was correct. This created doubts about the accuracy of the computer systems, fears that thefts were occurring, and that orders were going unfulfilled.



The Solution

DeltaOne Software had successfully implemented their *QuikWgt* program at U.S. Growers. This program saved U.S. Growers; tens of thousands of dollars, by automating the calculation of catch weights. "DeltaOne Software has already proved themselves here; they are the logical choice to solve this problem," said Newton.

While DeltaOne Software has over 20 years of experience, in barcode data collection and inventory control, the needs of a public refrigerated warehouse are unique. Even the items being counted are unusual. "You just can't count everything in every location," says DeltaOne Software's senior software engineer Greg Fox, "some of the items do not belong to the client, and most items are poorly marked." Many of the client's products are imported or from small manufactures. Few cartons have barcodes on them, and some products are one-of-a-kind and closeout deals. "It makes taking an inventory a real pain ..." said Newton.

The one good thing about the old paper tag system is that it allowed management to clearly indicate which items and locations were to be counted. DeltaOne Software is able to modify its existing inventory software to handle such a flexible physical count. The software also allows those counting, to enter the number of pallets, the tie, the high, and the odd number of cases. This greatly reduces counting errors.

The *Double Check* software requires two independent, matching counts before the tag is verified. If two teams count the same number of items, in the same location twice, then it is accepted. Otherwise, the tag is flagged for a recount. Until two of the three counts match, the miscout shows up as an error. The advantage of this system is that recounts can be preformed while teams are counting other areas. "We used to have to wait for the data entry people to key in all the numbers before we could start making recounts," said Dino Giancaspro, "which means we had to spend all day Sunday trying to resolve the errors." Now the discrepancies are resolved as soon as the second pass is made; and thus, it shaves an entire day off the process.

The Benefits

"The most tangible benefit is not needing the half dozen data entry clerks," said Newton. This paid for the system in just six months. With a quick and clear Return-On-Investment, U.S. Growers has seen immediate value in the system.

Accuracy also improved. With fewer errors and more time to audit, the semi-annual physical count now produces numbers everyone trusts. Their clients feel more comfortable with the barcoded inventory system and easily auditable results. This will certainly generate new clients and existing clients will be willing to pay for physical counts.

One of Newton's favorite reports in the *Double Check* software, is the "Counts by User" report. This shows the number of correct and incorrect counts from each team. "It tells me who can and cannot count," said Newton, "and now I know who I am going to use next time."

Finally, *Double Check* outputs the counts in standard, comma-delimited files. This makes transferring the counts into Microsoft Excel and other systems easy. U.S. Growers simply e-mailed the results to their client. The client can then quickly compare the results with their numbers and decide what needs to be audited.

Double Check saved U.S. Growers time and money by replacing their old paper system. It also saved their client tangible money by reducing the cost of a physical inventory. Finally, as warehouse supervisor Dino Giancaspro put it: "I get to go home early enough today to have dinner with my family."