Montebello Foods Deploys S2K Food Package to Streamline Warehouse Management Operations and Ensure Exemplary Customer Service

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Situation

Customer Profile

Montebello Foods, founded in 1991 and celebrating its 20th year in business, is an Italian food service distributor servicing pizza shops, restaurants, and salumerias in the NY metro area, specializing in tomato sauce, pastas and cheeses. Montebello has a unique approach to customer service – it focuses on building relationships by ensuring personalized, on-time services and deliveries.

Problem

Context

Both price fluctuations and wide-ranging expiration dates are challenges that Montebello Foods faces on a daily basis and must reconcile accurately and efficiently to achieve business objectives.

In the food distribution industry, pricing inaccuracy is a critical issue as prices change constantly for a variety of reasons, whether it be demand, weather-related, availability, etc. For instance, the cost of cheese per pound can fluctuate on a daily basis, and this volatility can wreak havoc on a company that must maintain updated pricing manually, item-by-item.

Food expiration dates also present a similarly difficult challenge to handle with a manual process. Each lot is highly controlled and must be managed according to date. Without an automated process, it is difficult to track the dates accurately, thus creating a system where food spoils more often and inventory must be discarded as a result, impacting the bottom line.

Solution Overview

Technical Components

- VAI S2K Food Package

Benefits

- "Picking" pieces on the warehouse floor increased by more than 40%
- Business operations automated and streamlined
- Significant reductions in errors and order returns

In addition, delivery slip-ups can also cause significant negative impact on a company's profitability. For Montebello Foods, deliveries are made by its own fleet of trucks, and routing these deliveries was a cumbersome process when executed manually. The challenge with routing and deliveries initially began during the loading process, where orders were tracked and loaded manually and thus subject to errors, causing delays and added deliveries.

Objectives

Montebello Foods was looking for a way to automate its warehouse processes, from pricing efforts to managing expiration dates on perishable items to ensuring the delivery and routing processes were streamlined. Ultimately, Montebello Foods needed a robust and comprehensive technology that would help track and manage real-time inventory coming in and out of its warehouse.

Finding the Right Partner

Because of Montebello Food's commitment to exemplary customer service, it required a technology that provides both flexibility and visibility into data and information that is constantly changing. However, the software suite Montebello Foods was using prior to VAI was a customized package for food distributors that was cumbersome and offered limited support. Even with this system in place, much of the operational and warehouse processes were manual, and thus time consuming and prone to errors.

Montebello Foods needed a technology partner with an easy-to-use interface that would provide access and visibility to real-time data to enable a quicker sales cycle.

Solution

Process

After closely examining its current software package, and vetting possible replacements, Montebello Foods selected VAI's S2K Enterprise for Food Software. S2K for Food ensures inventory data is real-time and the product can be sold immediately, providing greater efficiencies and helping Montebello Foods realize profits at a faster rate. VAI's S2K for Food met all the criteria the Company required, and provided exemplary support services as well.

Using the Solution to Solve the Problem

Because Montebello Foods relies on its own trucks for deliveries, it required a technology partner that could help them solve the issues associated with manual routing. Within VAI's S2K for Food, there is a Route Manager offering which has a

warehouse component to help streamline the process of managing deliveries and truck routes.

VAI's S2K for Food also ensured a quick integration of the technology – Montebello Foods would be up-and-running in a short timeframe, allowing warehouse employees to deploy the technology quickly, a unique model in the ERP industry.

For managing the pricing and expiration date challenges, VAI's S2K for Food gave Montebello Foods the ability to actuate things already on the label – prior to the S2K implementation, Montebello Foods employees were manually keying in on every single label

Evaluation

Results and Benefits

Montebello Foods was looking to realize efficiencies on inventory and deliveries, and that's exactly what they've experienced as a result of implementing VAI's S2K for Food Software. Manual errors have been significantly reduced, thereby slashing the number of customer returns and decreasing the amount of time inventory remains on the shelf.

Warehouse management processes have also greatly improved. Warehouse staff can identify the location of inventory at a faster rate, thereby increasing the amount of inventory they can "pick" by about 40% each hour. And as a result, Montebello Foods was able to save on labor costs, as streamlining the access to real-time data and information about inventory increased productivity and reduced the need for an increased headcount.

And in terms of overall business operations, the S2K for Food Software has enabled the automation of daily office activities, such as email and fax, ensuring Montebello Foods experiences streamlined business processes and a greater ability to achieve business objectives.

"Price fluctuations, expiration dates, inventory management – these issues can present considerable challenges for companies such as Montebello Foods," said Christopher Jankowski, project manager, VAI. "With VAI's S2K for Food Software they were able to automate their processes and cut back on the time and resources used to manually manage the end-to-end inventory and distribution chain. VAI has helped Montebello Foods streamline processes they didn't even know could be improved, and we're pleased we could help them achieve significant ROI and attain their business goals."

Customer Quote

"The food distribution market in the New York region is incredibly challenging," said Sam Mangano, president of Montebello Foods. "We've been able to stay ahead of the competition for more than 20 years by ensuring our customers have a personalized, top-notch experience. The customized software package we were originally using wasn't sufficiently meeting our needs for visibility and access to data. VAI's S2K for Food Software offering gave us the ability to accurately track and manage inventory in real-time at all points along the distribution chain, thereby significantly reducing errors as a result of manual inputs. In addition, we can always count on VAI to respond quickly to any service questions we might have. I can appreciate that level of customer service, as Montebello Foods subscribes to a similar mantra, so we are very pleased to count VAI as one of our valued partners."

For More Information

For more information about VAI products and services, call the VAI at [telephone number]

To access information using the World Wide Web, go to: http://www.vai.net

For more information, call [contact person] at 1.800.824.7776 or email us at sales@vai.net