

SATISFYING A CRAVING FOR PRODUCTIVITY

To boost productivity and streamline operations, Morton Food Service, an independent distributor of food and beverage products based in Windsor, Ontario, began working with VAI, an independent mid-market enterprise resource planning (ERP) software developer.

July 2023 • Inbound Logistics • Karen Kroll

THE CUSTOMER:

Morton Food Service is an independent distributor that supplies food and beverage products to independent restaurant owners and food service operators across southwestern Ontario and the Niagara region. The company offers more than 6,500 local and national products as well as many international products.

THE PROVIDER:

VAI is an independent mid-market ERP software developer offering solutions that automate critical business functions for the distribution, manufacturing, retail, and service sectors, including specific ERP solutions for hard goods, food, and pharmaceutical companies.

Among other actions, Morton implemented VAI's S2K Enterprise for Food software, as well as its advanced software applications

such as Mobile Order Entry, Suggested Purchasing, Warehouse Management, and Analytics. Together, these solutions are helping Morton Food Service improve productivity and visibility and grow sales.

AN AGING ERP

Morton Food Service offers more than 7,000 products from numerous brands to 1,000-plus customers and specializes in providing locally sourced food to restaurants across southwestern Ontario and the Niagara region. In 2019, the company celebrated its centennial anniversary.

Before it connected with VAI, Morton had been making do with an aging ERP solution that lacked support. It also lacked many of the capabilities Morton wanted to implement for its own operations and to offer its clients.

"We realized that there were a lot of opportunities to improve our operations and our processes," says Patrick Lenover, Morton's director of project management.

For example, picking operations had been largely manual and paper-based. The company's sales reps lacked access to updated and live inventory, and special orders were treated with a combination of manual methods, such as stickers and spreadsheets. Morton also handled routing manually.

"We put a lot of manual effort into almost all aspects of the business," Lenover says. Not only was this less than efficient, but it largely disconnected different functions from each other.

Implementing a new ERP solution would address this, while also providing an opportunity to offer



Morton's customers features such as mobile capabilities.

"We wanted to improve our operations and we knew that we couldn't do it with the solution that we had at the time," Lenover says.

To help identify the best ERP solution, Morton brought in Patrick Rivait, an external project consultant. Working together, the Morton team and Rivait mapped all the company's business processes across multiple areas, including warehouse management, purchasing, sales, and finance.

"We broke things down to a very granular level to come up with a shopping list of the different functionalities we needed," Rivait says. In total, the team identified more than 1,000 process components, which they ranked according to importance to the organization.

Then they reviewed a range of ERP solutions. In their evaluations, the team focused on requirements unique to the wholesale food distribution space, such as the ability to provide lot traceability and handle expiration dates.

Through this research, the pool of potential partners was winnowed down to four or five

solutions. Rivait and other team members asked these vendors to demonstrate how the system would function daily. For instance, how would an employee add a new vendor to the system? Asking all solution providers to show how their system would handle common operations gave Morton a level playing field to analyze and compare the various solutions.

"Overall, we found that VAI fit the needs of the organization," Rivait says. In addition, Morton could continue to grow and work together with VAI.

VAI's solutions leverage business intelligence, analytics, mobility, and cloud technology to help companies make informed business decisions and build a competitive edge.

ASSESSING THE NEEDS

In working with clients, VAI starts with a requirements analysis, says Peter Zimmerman, North American software sales manager. Once VAI team members understand what a client is looking for, they can recommend best practices drawn from the knowledge they've gained through their work with numerous customers.

Every implementation process also includes plans for data conversion,

pilot testing, and training, among other steps. These actions help ensure that the solution meets the company's needs, while also strengthening buy-in among both management and end users.

A critical component in the success of the partnership between the two companies was Morton's decision to dedicate several staff members to the ERP team. These employees were responsible for learning about the software and its configuration, as well as for training, testing, and retesting to ensure that everything was working as it should.

Also important was Morton's decision to avoid testing in "silos," or individual functions, Rivait says. Instead, the teams conducted "cradle-to-grave tests" to check that information flowed accurately from one function to the next.

A primary benefit of an ERP solution is its ability to link together different functions so information flows seamlessly, Rivait notes. To fully leverage the value of an ERP implementation, testing needs to ensure information moves accurately and completely between functions.

INFORMATION LEADS TO A BUMP IN SALES AND



PROFITABILITY

Typically, companies that implement the S2K solution can expect a bump in sales and profitability because they easily can see what customers are buying. They can also see profit margins by product, which leads to more informed inventory management decisions.

For instance, through the Suggested Purchasing module, if a new type of bakery bread is taking off, a company will see this and know it probably makes sense to boost orders of it, Zimmerman says.

Along with offering recommendations, the Suggested Purchasing module lets Morton see sales and average movement, among other data, on each product. It's possible to make adjustments if, for instance, it's clear a bump in sales was due to an event or to a holiday.

The system also can recalculate suggestions, enabling users to make more informed decisions about how and what they're buying. As important, the module offers visibility into the calculation behind its suggestions. "There's no guessing or wondering, 'Where did that number come from?'" Lenover says.

PAPER PICKLISTS

S2K also streamlined multiple operational processes. Previously, for instance, Morton employees would print stacks of picklists on paper, by order and storage area, such as freezer, dry, or cooler. Then they'd distribute the picklists, one or two at a time, to selectors.

Using a pushcart, selectors would walk through the warehouse picking the items listed and labeling each product by writing the appropriate stop number on the box with a magic marker.

Selectors left the completed carts and orders at a staging area, where a supervisor checked them for accuracy. Another worker palletized and loaded the products onto trucks. Completed picklists were left with a clerk who manually entered the shipped quantities and catch-weights into the system before generating an invoice.

"This process was slow and required workers to rehandle a lot of boxes and paperwork," Lenover says. It also provided opportunities for error.

The current process is decidedly more automated. To start, orders are imported into voice picking software—another addition to Morton's mix of technology tools.

Selectors wear headsets, barcode scanners, and mobile label printers, and drive a double pallet jack, where a driver is in front with two trailing pallets.

When the selectors log in to the voice picking software, it assigns them a unit of work for each pallet based on the route, stop number, storage area, and other information.

Through the headset, selectors are instructed to proceed to a bin location, where they scan the barcode. Once the correct product is scanned, the system identifies the quantity to pick. Labels automatically print from the mobile label printer, and the system instructs the selector to place the product on the appropriate pallet, where the labels are applied, and the process continues.

"The selector is able to completely pick two pallets of product by moving through the warehouse once," Lenover says.

Quantities shipped and other information is captured at the time of selection, as voiced by the selector. Cases are clearly labeled and picking data is automatically sent back to the S2K solution. The supervisor generates the invoices when the route is complete.



“This process is much more efficient and accurate,” Lenover says.

STREAMLINING ECOMMERCE

By using the Roadnet Transportation Suite, a third-party application that interfaces with S2K, Morton is getting a better handle on its routing needs.

The tools within Roadnet allow Morton to map orders and identify the most efficient way to direct its trucks. Importing this information back into S2K streamlines and provides visibility to multiple operations, like dock scheduling and product receiving. “We have visibility to everything now,” Lenover says.

PLANS FOR THE FUTURE

Morton is currently implementing VAI’s ecommerce solution, which provides each customer with their own portal to place orders, review pricing schedules, and check accounts receivable, among other

functions.

Eventually, Morton plans to also implement VAI’s Smart Center solution. This includes customer relationship management, and customized dashboards and KPIs, among other features.

Through S2K analytics, Morton has created dozens of reports that offer users the information they need to make informed, insightful decisions. Among other metrics, the solution can provide inventory turns and customer fill rates, forecasted demand versus actual, and picking and shipping performance.

Adding these tools has impacted Morton’s revenue, as well as operations. The company says sales have grown more quickly after implementing S2K than they had previously.

CASEBOOK STUDY: UPPING THE FOOD CHAIN

THE CHALLENGES:

An aging ERP system meant many processes within Morton Food Service remained manual, time-consuming, and at risk of errors. It also kept Morton from offering customers mobile and other capabilities.

THE SOLUTION:

Partner with VAI to implement its S2K Solution, as well as other solutions that work with S2K, like mobile order entry.

THE RESULTS:

Streamlined, automated picking and fulfillment operations and transportation routing, as well as greater sales growth.

NEXT STEPS:

Implement VAI’s ecommerce solution and possibly its Smart Center solution, which includes customer relationship management, customized dashboards, and other features.

