



IBM Customer Reference

AWG Falley's Food 4 Less

Synopsis:

Food retailer standardizes its point of sale systems on IBM eServer xSeries servers and IBM SurePOS 700 Series POS terminals, helping to increase margins and reduce operating costs

Location:

Topeka, Kansas USA

Industry:

Retail

Focus Area:

e-business infrastructure, Supply Chain Management, Customer Relationship Management, Small & Medium Business

URL:

<http://www.awginc.com>

Customer Background:

Falley's Food 4 Less is a 31-store division of Associated Wholesale Grocers (AWG), which operates supermarkets in Kansas and Missouri. AWG has more than 800 member stores operating in the Midwest and is one of the largest member-owned supermarket operations in North America. It has three operating divisions in Kansas City, Oklahoma City and Springfield, Missouri.

Business Need:

The collection of stores that became the Falley's division consisted of existing stores and units acquired from other companies. The result was a disparate, heterogeneous environment, which limited the company's control of information, pricing, product movement and sales. The company wanted to create a standard database, data structure and communications environment to:

- Enable better information flow (pricing and category management) in the stores
- Gather sales and product movement information, allowing the company to leverage supplier relationships to drive down the cost of goods and increase discounts to member operators.

Solution:

To unify the infrastructure and operations of its stores, Falley's installed the IBM ACE supermarket application on IBM SurePOS 700 Series POS terminals, replacing a variety of outdated front end systems. The terminals are connected to IBM SureMark printers and related peripheral devices.

Falley's installed two IBM eServer xSeries 205 servers in each of its 31 stores to act as store controllers. The servers support an average of ten POS terminals per store, running the IBM 4690 operating system and the IBM ACE application.

TCI Solutions, Inc. provided a back office solution for price management, database maintenance, direct store delivery (DSD) file maintenance, and related sign/tag/scale databases and applications.

Benefits of the Solution:

By installing a standardized POS platform with IBM xSeries servers and SurePOS terminals, Falley's benefits from a standardized data structure and the central management of pricing. This helps increase margins, reduces operating expenses associated with maintaining price files and increases control over the data Falley's needs to drive down the cost of goods from suppliers. The overarching benefit is the company's ability to operate as a single unit. In fact, the standardization has worked so well that AWG plans to extend the platform to its entire network of 800 member stores.