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**POS Solution Reduces Replenishment Delays  
 Automated merchandising and enterprise management  
 system doubles the amount of time clerks can spend on  
 customer service at Fields Stores.**

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Written by Julie Ritzer Ross

Knowing how much inventory you have on hand and when replenishment products will arrive is essential to maximizing sales and keeping your customers happy. Canadian merchant Fields Stores (Delta, British Columbia) recently implemented an automated merchandising and enterprise management system that helps it achieve those goals. Fields Stores is a subsidiary of Toronto-based Hudson's Bay Company, Canada's largest department store retailer. A total of 106 Fields Stores with a collective 186 cash lanes are located throughout British Columbia, Alberta, the Yukon, and the Northwest Territories. The stores carry about 10,000 to 15,000 SKUs (stock keeping units) of merchandise, ranging from apparel to food products.

Prior to its recent software deployment, the retailer used electronic cash registers to ring up sales in each department. Transactions involving high-end hard goods and apparel were executed by manually entering information from perforated hangtags attached to each item into the registers. Hangtags were then sent to corporate headquarters, where a semi-manual process was used to determine replenishment quantities. Replenishment of items without hangtags was handled by assigning an employee to compare the quantity of products on the shelf with preset inventory levels recorded in stores' master order books, then keying this information into preset order forms. A majority of reorders were placed by telephone.

"This setup was really inadequate. It was hard for us to tell what was selling and where and when shipments would be coming in, and communication of price or tax changes to stores was an arduous process," states Di Barham, director of finance for Fields Stores. "In addition, our legacy application software vendor had gone out of business, and there was limited support for our obsolete proprietary server hardware. We decided that what we needed was a feature-rich system with fully integrated financials, merchandise management with automatic replenishment, and warehouse distribution functionality."

For assistance, Fields Stores consulted Magstar Inc. (Toronto), whose TOTAL RETAIL POS software the retailer determined to be a good match with its criteria. The software was installed on IBM (Armonk, NY) SurePOS hardware, which features integrated IBM Suremark receipt printers and Voyager handheld bar code scanners from Symbol Technologies (Holtsville, NY). Deployed between April and September of 2003, the configuration also includes an IBM eSeries quad processor server and a retail reporting subsystem designed by Magstar. The latter allows data pertaining to Fields to flow into Hudson's Bay's legacy financial reporting system.

**System Eliminates Manual Data Capture**

The new POS solution has eliminated manual inventory-checking and data entry at the checkout counter. Instead, all sales information is captured via bar code scanners. POS data is polled nightly using dial-up connections and Magstar's polling application. The software recognizes the quantities of each item sold in each store and initiates automatic replenishment accordingly.

While it is too early to quantify the benefits of the new system, Barham has

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seen improvements in day-to-day store operations. Notably, the combination of scanner-based data capture and automatic replenishment has drastically reduced the incidence of out-of-stock situations and improved in-stock on high-turnover items, such as chocolate bars. The store now has the ability to offer the right product at the right time, and, in turn, provide better customer service, leading to increased sales.

"In the past, it wasn't unusual for us to sell out of an item like chocolate or bleach several weeks early, but not know that we were out and, even worse, endure a four- to eight-week wait for replenishment," Barham says. "This no longer happens; orders are generated when we need product. We know exactly what the replenishment timetable is."

The ability to access comprehensive merchandise sales information by item and by store, as well as the use of such data in automatic replenishment, is also pushing the sales and customer service envelope. "We can tailor our assortments for different units and markets, and re-order accordingly," Barham reports. "Now it's no problem if, for example, one store in Alberta needs to carry more of a larger bottle of bleach than a smaller one. Accurate sales information is the key."

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