

## CASE STUDY: OZARK NATURAL FOODS

INTRODUCING TECHNOLOGY TO IMPROVE CONTROL PROCESSES & REDUCE LABOR COSTS

### Background

Ozark Natural Foods is a locally-owned consumer co-op in Fayetteville, Arkansas which originally operated as a buying club when it first opened in 1971. Since the earliest days, they have proudly provided consumers with natural and organic products all grown by farmers within a 100 mile radius to encourage healthy living and enrich their community. With a range of bulk products, deli, grocery, salad bar and hot bar, beauty items and kitchen merchandise, Ozark has a wide variety of goods to choose from. Ozark Natural Foods continues to grow and prosper in their new and expanded facility.



Although co-ops are owned by the community, they still operate with the same needs and demands of any other business and require sufficient financing, careful market analysis, strategic and comprehensive planning, well-trained and competent personnel. As Ozark expanded they faced a common challenge among retail grocers – how to handle the complex task of managing a wide array of products and controlling their inventory.

### The Catalyst: Streamlining Procedures, Greater Reporting and Recipe Management

The team at Ozark knew their business wasn't operating at maximum efficiency with the tedious process of using paper spreadsheets to handle their inventory. They had no way of costing recipes or printing nutritional information and had very little integration between their internal software systems. These limitations prompted Ozark Natural Foods to search for a different software application that was better suited for their business. In June of 2010, a team of managers began researching the FOOD-TRAK® Food & Beverage Management System, developed by System Concepts, Inc. (SCI) in an effort to gain more control over inventory and streamline procedures within their operation. Deli Manager Rachel McDonald has been with Ozark since 2007 and was heavily involved in the decision making process. "We were looking for software features such as easy recipe management, menu planning reports for our hot bar, waste reports, greater inventory capabilities and a solid company to stand behind the product."

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*-Rachel McDonald  
Deli Manager*

### The Selection Process

The Management Team at Ozark Natural Foods was immediately impressed with the level of expertise of the SCI staff and their commitment to a heavily managed implementation project plan. SCI's turn-key approach which guaranteed a fully functioning system upon completion of implementation proved to be a huge factor in the decision. Other elements came into play as well such as the variety of training services and technical support staff available to ensure Ozark's ongoing success with the system. "The amount of help and support that SCI offered and the ability to attend a training course where we could meet other users of the FOOD-TRAK product were huge factors in our decision," states McDonald.

After a thorough assessment and time study, the consultants at SCI calculated an initial savings over \$37,000 just by improving receiving practices and reducing theft, over-portioning, waste, spoilage and over-ordering. This, and the ability to meet all of their operational goals and incorporate the latest handheld technology for inventory and receiving, led Ozark Natural Foods to select the FOOD-TRAK® system and kick off the initial project in September of 2010.

### The Solution: The FOOD-TRAK System

SCI built the database for Ozark Natural Foods according to the customized project plan. Invoice entry and the purchasing cycle were both tested prior to SCI taking their first inventory. McDonald stated that the implementation of the FOOD-TRAK software system was “very professional and exceptionally well done” and was impressed by the efficiencies of the entire process for her and her staff.

Ozark has found FOOD-TRAK’s recipe capabilities simple and easy to use. The immediate benefit was a decrease in food cost due to more accurate recipe costing! Their inventory, spot counts and shopping lists have proven to be useful tools they can’t imagine they operated without in the past. The real star of this project became the FOOD-TRAK Mobile Partner handheld device. According to McDonald, “we take inventory with it, create shopping lists for ordering and plan to use it for requisitions in the future. My favorite feature of the handheld is definitely the scanner. I can scan with ease, using FOOD-TRAK barcodes or manufacturer bar codes to quickly find items in the database.”

### The Result: Increased Efficiency and Reduced Labor Costs

Upon completion of the project, Ozark was able to implement automation where it was needed to cut down on labor and cost savings and empower their staff by letting them play a role in the process. “One of the features I appreciate the most is the ability to grant users specific access to the system. We have a lot of customers who inquire about recipes when shopping at our store, so we’ve given our managers the permissions to login and print the recipes that are being requested,” says McDonald. By enabling them to print recipes while restricting access to other areas of the system, they are still able to maintain tight administrative control over their system.

Ozark has also experienced significant decreases in inventory labor time thanks to the FOOD-TRAK system and Mobile Partner. “Our old method for inventory involved a 47 step process to update pricing within an Excel workbook. It used to take two people 2 weeks to complete inventory in the past. Now we have it down to just 3 days!” states McDonald. “With the FOOD-TRAK Mobile Partner, I count virtually the entire Deli in the same amount of time that it took to count about half of the back stock.” McDonald offers some advice to those FOOD-TRAK users who haven’t had an opportunity to use the Mobile Partner yet. “Everyone should get the most out of their software investment. The Mobile Partner compliments the functions of FOOD-TRAK and is easy to use. The time and money saved on data entry is well worth the investment in the device.”

The team at Ozark is very anxious to begin using more of the FOOD-TRAK system in the future, including possible integration with their Point of Sale system. They already have the UNFI vendor interface for streamlined ordering along with the Nutrition Module and look forward to the benefits it will bring their company and the community they serve.

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### About Ozark Natural Foods

Since 1971, the Ozark Natural Foods Co-Op has been serving Fayetteville and the larger NWA area by providing fresh, responsibly-grown and sourced food; supporting local farmers, growers, and makers; and bringing together our community through a love of food that’s good for us and our planet. Their vision is a world strengthened by cooperative economics and driven by concern for the health and well being of the planet and its inhabitants. For more information, visit <https://onf.coop/>.