FOOD-TRAK®
Food & Beverage Management System

CASE STUDY: HILTON SANDESTIN BEACH GOLF RESORT & SPA

AUTOMATING HOTEL F&B TRANSFERS AND REQUISITIONS

Background



Located along one of the world's most beautiful beaches in Destin, Florida, The Hilton Sandestin Beach Golf Resort is a full-service resort hotel, owned and operated by Sandcastle Resorts of Sandestin, Inc. The all-suite resort offers 600 rooms, 32,000 square feet of convention space, 4 restaurants, 4 championship golf courses, a full service spa, salon and fitness center. Ripp Daniell is the Food and Beverage Analyst for the resort and is responsible for food and beverage cost accounting. Mr. Daniell joined the resort in August of 2002, at a time when the resort was just beginning to evaluate food and beverage inventory management systems. Upon starting his new assignment, he was handed a list of potential candidates and immediately assumed a major role in the evaluation and recommendation for this purchase.

The Catalyst: Trouble Maintaining Food and Beverage Costs

The Hilton Sandestin historically had trouble maintaining their food and beverage costs. According to Daniell, "We had a real problem with costs. There was no consistency behind it. Some months were over budget and some were under and we didn't know why." Daniell added, "Most of our accounting and management processes were manual. We wrote requisitions by hand and coded and keyed in our invoices. When receiving items in the central storeroom, we wrote the price on the item package in a black marker. We used this price to cost our transfers manually. We can have up to 90 transfers per day during our busy season, so processes like these are time intensive and prone to errors."

The Goal: Improving Costs, Efficiencies and Requisition Processes

Supporting a facility the size of The Hilton Sandestin Resort, the food and beverage department needed to run more efficiently, costs needed to be lowered and they needed to automate their manual processes. Daniell continues, "From the beginning of our search, we were interested in only food and beverage inventory management systems. We were already using MICROS® POS systems, so compatibility was a big consideration. Our primary goal for this system was to increase efficiencies in the requisition and transfer process. Beyond that, we wanted more timely and accurate cost and margin information; recipe costing and sizing; accurate inventory ordering control; order forecasting and ideal to actual use variance reporting for restaurants and banquets. In addition to integrating with our MICROS system, we also wanted a system that could interface with our Great Plains® accounts payable system and with our main foodservice vendor, U.S. Foodservice™. We had a lot to accomplish, so we needed one system that could do it all."

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-Ripp Daniell
Food & Beverage Analyst, Hilton Sandestin

The Selection Process: Demos and Site Visits

With Daniell leading the process, The Hilton Sandestin embarked on a thorough evaluation of their top candidates, including the SCI's (System Concepts, Inc.) FOOD-TRAK® System. "A demo is good, a live demo is better, but actually seeing the system in use and hearing about it from an actual user is the best evaluation tool," says Daniell. "So that's exactly what we did. For our FOOD-TRAK evaluation, we visited three FOOD-TRAK users in our industry of similar size using similar applications. We spent up to two days at each site. It was well worth the time and expense. After seeing it in use, viewing actual reports and hearing about it from someone other than the developer, we were really sold on FOOD-TRAK."

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The Solution: The FOOD-TRAK System

"From a needs analysis, the FOOD-TRAK system addressed every item on our list," Daniell commented on the reasons for their decision. "The best feature of FOOD-TRAK was its ease-of-use. Since we were committed to this project, employees at all levels would be required to use it. We liked the fact that FOOD-TRAK is a user-friendly application and addresses a wide range of user abilities. From automating our transfer and requisition process, to allowing us to perform recipe and menu engineering costing, FOOD-TRAK enables us to do it all and more. Plus, it integrates with all of our existing business systems and vendors, significantly reducing time and errors."

The Plan: Multi-project, Multi-phase Approach

SCI developed a detailed project plan to implement the FOOD-TRAK System at The Hilton Sandestin. "Because the resort had a central/receiving storeroom with many outlet locations to set up, SCI chose a multi-project, multi-phase approach," said Jeff Nichols, SCI Chief Technology Officer. "In such a plan, it is important to achieve success at each level before moving on to a new phase. We strongly recommend that a new phase is started only upon successful completion of the previous phase." The Hilton Sandestin plan consisted of four projects, with multiple phases and individual goals and milestones for each phase.

"We wanted to get the storeroom up and running first and then bring on the outlets," Daniell explained. "The storeroom inventory database was built first, FOOD-TRAK was installed and then our accounting and vendor ordering systems were integrated with it. The process went a lot faster than I expected. The outlets went even quicker since most of the data was available for use from the storeroom. The ability to import the liquor was a huge benefit. The entire project plan went smoothly. The SCI project implementation team did an outstanding job for us."

The Result: Efficient Transfer and Requisition Processes

"FOOD-TRAK is a wonderful tool," Daniell continued. "We have benefited immensely from the system and we continue to find more uses for it. The integration to our business and ordering systems is a major factor in our success with FOOD-TRAK. Prior to installing FOOD-TRAK's U.S. Foodservice interface, it took 3 to 4 hours to enter a single invoice. With the integrated U.S. Foodservice interface, it takes just 2 minutes. Before FOOD-TRAK, our purchasing director coded in invoices manually and accounting keyed them in. FOOD-TRAK's ability to interface with our accounts payable system has saved us 20 hours a week since all item codes are already in the system. The ability to go from manual requisitions to an automated process with FOOD-TRAK has saved us an entire person's worth of work. What used to take an assistant 55 hours a week, now takes a third of the time. This assistant is now able to focus on transfers, invoices and assisting with FOOD-TRAK administration. Even with all of these other savings, the automation of transfers is the single biggest benefit that we have received from FOOD-TRAK. We have to complete 90 transfers a day, so the automated process has significantly benefited our business.

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>
> *-Ripp Daniell*

Inventory variance is a great tool also because it allows you to go to the item level to find errors. We recently recorded a mere $180 variance on $300,000 worth of transfers. The FOOD-TRAK reports are comprehensive as well. The Price Exception Report enables us to see price variances on keyed-in invoices. When our liquor vendors forget to put in a promotion code, FOOD-TRAK helps us catch the error, saving us thousands of dollars a year."

About The Hilton Sandestin Beach Golf Resort & Spa

The Hilton Sandestin Beach Golf Resort & Spa is an award-winning resort located 10 miles east of Destin, Florida in the 2,400 acre Sandestin Resort community. The Hilton Sandestin resort amenities feature 4 restaurants, 4 championship golf courses, 15 tennis courts, 2 outdoor and 1 indoor pool, whirlpools and a full-service spa, salon and fitness facility. The hotel's convention space totals 32,000 square feet with 600 guest rooms, making it the largest beachfront resort hotel in Northwest Florida. Hilton Sandestin Beach Golf Resort & Spa is managed by Sandcastle Resorts of Sandestin, Inc. For more information, call (850) 267-9500 or visit www.sandestinbeachhilton.com

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