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—CARLOS FALCON, IT DIRECTOR, PUERTO RICO SUPPLIES GROUP

ABOUT THE COMPANY.

Started as a family-run business in 1946, Puerto Rico Supplies Group (PRSG) grew into one of the largest distribution companies in Puerto Rico. It has distribution agreements with major manufacturers such as Coca-Cola, Unilever, Alberto Culver, Johnson & Johnson, Wrigley, Ferrero, Nestle, Lorillard, Dior, and Puig. PRSG's mission is to turn brands into leaders by satisfying consumers and promoting the success of its clients, the community, and its own organization. To learn more, visit www.prsupplies.com.

PUERTO RICO SUPPLIES GROUP BOOSTS PROCESS EFFICIENCY, PRODUCTIVITY WITH INFOR A+

SETTING THE STRATEGY.

With the broad range of products that Puerto Rico Supplies Group (PRSG) distributes—groceries, snacks, cigarettes, personal care products, fragrances—to every outlet including supermarkets, department stores, beauty outlets, pharmacies, and convenience stores, the company decided to take advantage of more technology to better manage its growing list of merchandise.

The company's biggest challenge was to consolidate its multiple operations and warehouses, as well as its new facilities. Carlos Falcon, IT director at PRSG, explains: "We were consolidating and standardizing our different processes and systems at the same time we were implementing new technologies and tools that directly impact how we run our warehouse operations."

Ana Perez, vice president of sales and marketing at PRSG, concurs, "We had merchandise in different warehouses, duplicating jobs and effort, so we wanted to

implement a consistent process and streamline the operations. We started with eight warehouses that we consolidated into three, and the tricky part was merging six into one."

GETTING BUSINESS SPECIFIC.

PRSG had been using Infor™ ERP A+ for many years with much success. Falcon says, "When I came in, there was no guarantee that we had to stay with Infor and A+. But we've been an Infor customer for 10 to 15 years, and we're very satisfied with the solution that is our workhorse, as well as Infor's service and support, so that makes us loyal customers. We already had Infor tools in one main warehouse, and as we started moving into the new warehouse, we wanted to be sure that the operation was integrated with Infor tools. Infor's solutions prove easy to integrate, even with third-party software."

The company was also deploying other technologies in its operations for the first time: a warehouse management system,

RFID module, and a product that PRSG uses for picking. Falcon adds, "As we were implementing these new technologies, our goal was to achieve efficiency improvements and higher productivity, as well as accuracy and precision in picking so that we deliver the right products to the right customers on time."

PRSG's corporate culture that promotes teamwork, respect, and collaboration also contributes to the company's success. Edwin Perez, president at PRSG, declares, "Our mission is to position our customer brands as market leaders. We do this by looking for more ways to help our customers grow, and we're proud that our employees are very committed to that goal."

SEEING RESULTS.

PRSG has been meeting its objectives after consolidating warehouses and adding technology. "We maintain several productivity measurements in our warehouses," Falcon claims, "and compared with our January-to-March base period, every month our key performance indicators show productivity increases and improved quality of our service. Clearly, A+ and new Infor modules have helped us a lot."

One of the company's key performance indicators is the productivity of its pickers, which includes two areas: refrigerated products, and dry products. "In the refrigerated area, we saw a 44% productivity increase for pickers measured in cases per hour, and an 85% increase in our dry area," Falcon contends. "This improvement in November topped our base period of January through March."

"We've also seen our sales increase," Ana Perez adds. "We were consolidating operations while also integrating new lines of businesses that we acquired into our warehouses, adding another level of complexity. Gross revenues have increased about 10% this year."

Sales automation is another aspect of Infor ERP A+ that PRSG uses. "Part of our sales force has all inventory on their trucks, and they sell directly to customers," Falcon explains.

"Through A+, we manage everything going in and out of those trucks and integrate it with our mobile sales application. Salespeople make collections and process returns, and everything is fed back into A+ quickly and efficiently."

Customer facts

- ▶ *Company*—Puerto Rico Supplies Group
- ▶ *Solution*—Infor ERP
- ▶ *Product*—A+
- ▶ *Industry*—Distribution
- ▶ *Employees*—500
- ▶ *Country*—Puerto Rico

The company completed the complex task of consolidating six warehouses into one 200,000-square-foot facility that the company has dubbed "The Ark." The facility is designed to accommodate 17,550 pallet positions in dry storage and 4,700 pallet positions in chilled storage, plus an area with specialized racks for handling individual items, as well as allow space to integrate new lines of business. Following this, Falcon notes that the integration time has improved. "An integration that once took a month now takes about one week or two weeks. With Johnson & Johnson, we had our layouts, warehouse setup, and application setup to integrate all those product lines, and we were selling them very quickly."

PRSG gained some unexpected business benefits from adding technologies. Falcon asserts, "There are fewer errors because some processes are now automated, such as invoicing, and we use the offline order entry feature in A+. We incorporate many orders from customers through EDI, and our sales force uses our mobile solution that integrates with A+, reducing errors related to manual order entry. A+ provided a very easy integration with this product, too."

Another key performance indicator for PRSG is on-time/in-full, or all deliveries made on time with correct and complete orders. "We've increased on-time/in-full deliveries by 23% between our base period and November, and our customers are happy."

Warehouse workers have also become accustomed to the technology and value it. "If the system's not running as it's supposed to, we hear about it immediately," Falcon claims. "We've begun measuring the process of receiving

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—ANA PEREZ, VP OF SALES AND MARKETING,
PUERTO RICO SUPPLIES GROUP

merchandise at the warehouse—how long it takes to receive a full container and place everything into its location. Some of the workers had never before used technology, but we’re giving them a PC and a radio frequency gun to do receiving, and those measurements increased by 57% for dry goods and 62% for refrigerated items.”

In Caribbean Business, Top 400, PRSG ranked No. 4 for locally owned distributors and No. 12 among all locally owned businesses. Falcon claims that with A+, the company was able to innovate. “A+ is the backbone and facilitator of everything that goes on in the warehouse. We register every transaction in it to maintain full control. And we’re also happy with the IBM® i For Power Systems (iSeries®) platform that we’ve used with A+. It’s stable, long-lasting, and it basically runs on its own.”

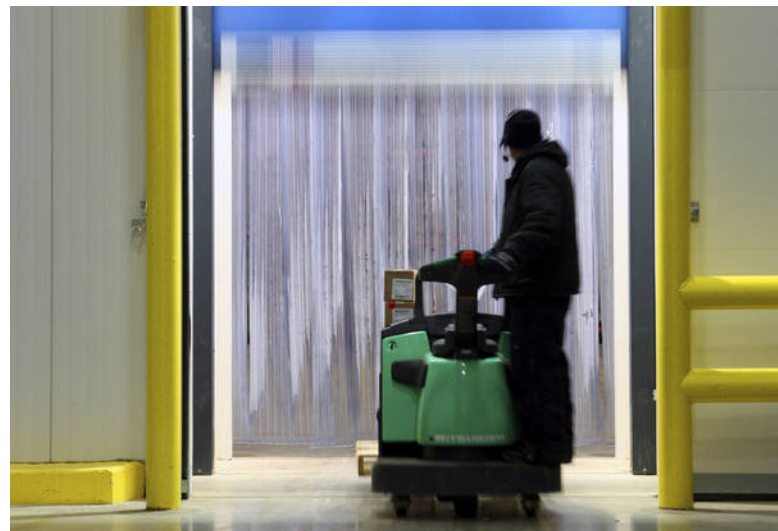
Infor ERP A+ has helped Puerto Rico Supplies to:

- ▶ Increase warehouse picker productivity by 44% for refrigerated goods and 85% for dry goods.
- ▶ Boost gross revenues by 10% over one year.
- ▶ Improve on-time/in-full deliveries by 23%.
- ▶ Increase warehouse receiving productivity by 62% for refrigerated items and 57% for dry goods.
- ▶ Reduce errors through automated processes.
- ▶ Easily integrate new lines of business while consolidating warehouses.

DOING BUSINESS BETTER.

Falcon explains PRSG’s future plans. “Next month we’re going live with an upgraded version of A+ and two more Infor modules, Optio and MaxRecall. With Optio, we can direct our invoices and purchase orders through email without printing them—meaning big paper cost savings. With MaxRecall, we’ll keep images of these documents in A+ without needing to print them. And we can still create these documents and save them in digital format for future reference.

“We’re also looking at Infor’s Storefront tool for our customers using eCommerce. The tool is complete for satisfying all functional and business requirements, and it’s easy to integrate with many applications, including third-party software. It’s stable, and Infor’s support is absolutely excellent. Their attitude of wanting to ensure the problem is solved as quickly as possible is evident. Even after a case is resolved, I get an email the next day from support offering another tip. They go beyond the call of duty.”



THERE IS A BETTER WAY.

At Infor, we work with a core belief. We believe in the customer. We believe that the customer is seeking a better, more collaborative relationship with its business software provider. And a new breed of business software: created for evolution, not revolution. Software that's simple to buy, easy to deploy, and convenient to manage. Our 70,000 customers in more than 100 countries stand with us. We look forward to your sharing in the results of our belief. There is a better way. For additional information, visit www.infor.com.

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The Infor logo consists of the word "INFOR" in a bold, sans-serif font. The letters "I", "N", "F", and "R" are black, while the letter "O" is red. A small trademark symbol (TM) is located to the upper right of the "R".