

COMPANY: TZETZO BROS. INC.

INDUSTRY: CONFECTIONARY AND BULK SPECIALTY FOODS DISTRIBUTOR

VOICE-POWERED RESULTS:

OBJECTIVES

- /// Improve accuracy and speed inventory-tracking.

RESULTS

- /// Improved accuracy from 98% to 99.60%.
- /// Reduced mispicks by 25-30%.
- /// Improved productivity by 40%.
- /// Eliminated overtime completely.
- /// Cut worker training time in half.

ROI

- /// Originally estimated payback within 12-16 months; however, ROI anticipated within 10 months.

FUTURE IMPROVEMENTS

- /// Expand Vocollect Voice® to manufacturing/private-label operations, specifically for replenishment applications.



Tzetzto Bros. Fulfills Its 'Need for Speed' with Voice-Directed Distribution™

Since 1929, Tzetzto Bros. Inc., based in Buffalo, New York, is an industry-leading confectionary and bulk specialty foods distributor and private label manufacturer for supermarket and large national chains.

Faced with the need to speed inventory tracking and improve accuracy at its two warehouse locations, Tzetzto Bros. quickly set out to replace its paper-based order selection process with TekSpeech® order selection technology from Psion Teklogix and Voice-Directed Distribution from Vocollect.

"From management on down, everyone is impressed by the improvement in accuracy. We reduced mispicks by 25-30% and improved productivity by 40%. How could anyone be unhappy with those types of results?"

Jim McFarland
IT Director
Tzetzto Bros. Inc.

The Challenge

Increase Productivity and Eliminate the Paper

Prior to voice, Tzetzto Bros. faced several challenges, particularly in bringing new employees up-to-speed with order selection from paper lists. According to Jim McFarland, IT manager with Tzetzto Bros., "Our item descriptions are very difficult to understand, especially the European products. We realized we were making errors and needed to get a better handle on it. We also had productivity issues in that we wanted to reduce overtime."

While at a meeting with about 40 other companies, they happened to hear a speech from Psion Teklogix about Voice-Directed Distribution. "We were so impressed that we spoke with the representative when the presentation was over," said McFarland. "We immediately decided to implement voice, even though we had no plan to install a system or money in the budget. We believed we simply couldn't afford to delay."

One driver of urgency was that Tzetzto services giant retailers and grocers such as Wegmans, Tops, HEB, and Dollar General, all with escalating needs for high supplier performance. On a routine visit to a key account, which has been using voice for several years, Tzetzto managers mentioned that they were considering deploying voice. They indicated that if Tzetzto went with Voice-Directed Distribution from Vocollect, they could drop some of their manual labeling.

"For this particular customer, we had to generate manual case labels with the UPC, the store number, and the like," said McFarland. "Each case on a pallet had to have a label. The process of performing this task was very time-consuming and laborious. This demonstrated a huge show of faith; plus, being able to see the application in action helped tremendously with our decision. We did our homework and checked out other vendors in the market. But we came right back to Psion Teklogix and Vocollect."

"We expected to see ROI in 12 to 16 months, but we actually anticipate our payback in just 10 months. Across the board, we really got more than we ever expected would happen with voice."

Jim McFarland

IT Director
Tzetzto Bros. Inc.

The Solution

TekSpeech and Voice Deliver Dynamic Results

"We assessed Tzetzto's supply chain processes, consisting of order selection using paper pick-lists and labels, and proposed a voice-powered application to increase productivity, reduce errors and eliminate the paper," said Chris Wappler, practice manager, speech solutions at Psion Teklogix. "We then built a business case/ROI and presented it to Tzetzto's CEO and CFO. Once we were selected, we designed and configured the system to meet the needs of the client's operation and provided installation, training and go-live support."

A key benefit Psion Teklogix provided was the real-time replenishment function that did not exist prior to implementing TekSpeech and Vocollect Voice, Vocollect's system of hardware, software and voice dialogs. "This capability allows Tzetzto's order selectors to send replenishment commands via the WMS to their forklift drivers who utilize RF vehicle-mounted terminals as the order selectors encounter product storage locations with insufficient product," explained Wappler. "This feature greatly increased the efficiency of their replenishment operation."

Today, with the help of Vocollect Voice and Psion Teklogix' wireless infrastructure expertise and terminals, a real-time command is sent to the replenishers and out-of-stock items are filled almost immediately. McFarland added that workers can choose whether to wait for the needed items or to set aside the order they are working on to switch gears to a new task.

The Results

Voice Dramatically Exceeds Tzetzto Bros.' Expectations

"We got more payback than we ever expected would happen with voice. We originally thought we would see ROI in 12 to 16 months, but we now anticipate it within 10 months," said McFarland. "From management on down, everyone is impressed by the improvement in accuracy. Our returns have dropped to virtually zero. We reduced mispicks by 25-30% and improved productivity by 40% in our two locations. How could anyone be unhappy with those types of results?"

Moreover, Vocollect Voice has enabled Tzetzto to make strides with its workforce. "Change is often scary for employees, but any fears quickly dissipated when they saw the benefits of voice," said McFarland. "Eyes tire very easily with a paper system. With voice, not only do workers not have to stare at paperwork all day; the ability to use their hands for selection, rather than writing down information, is a huge plus."

McFarland indicated Tzetzto management has but one regret. "We wish we'd have deployed Voice-Directed Distribution years ago! But it's been better late than never, especially with the payback we've achieved. Our next step is to expand voice into our manufacturing center."



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