



steak in the game

How Allen Brothers Beats the Seasonal Rush
without Compromising Quality



Executive Summary

Businesses that carry inventory often need to meet multiple competing demands: Rising customer expectations, marketplace changes, compliance issues, growing costs, and so on.

Seasonal variation in market demand is an especially tricky problem, complicating an already intricate logistics picture.

Allen Brothers provides an excellent case study of how a supplier of quality food products uses a cloud-based software solution to maintain strict lot control, receive real time data, and handle packaging and shipping more efficiently.



Introduction

Many businesses find themselves in a double-bind when it comes to their warehousing and logistics.

On the one hand

Rapid growth, multiple locations, seasonal variation, or a combination of the three motivate businesses to outsource their operations to a 3PL.

On the other hand

The specialized nature of their products (not to mention compliance) makes an in-house solution—and the control it affords—much more appealing.

The question, however, is not whether to outsource or find an in-house solution. The question is how to improve processes in order to meet multiple competing demands such as rising customer expectations, marketplace changes, compliance issues, and associated costs.



Seasonal variation can be an especially tricky problem. Quantities must reflect projected demand for appropriate times of the day, week, month, or year. Labor needs to scale seamlessly during times of high demand. Too much stock, or too many logged work hours without orders to move, leads to inefficiencies that can quickly erode the bottom line. Organizations rely on both accurate data and intuitive systems in order to adjust on the fly.

These issues are easy to acknowledge but harder to resolve. A 2013 study by the Georgia Institute of Technology found that less than 30% of U.S. warehouses and logistics centers are operating efficiently. Much of this inefficiency is the result of not having the right software to manage these operations. While most companies feel they are using “best in breed” systems, almost 40% are depending on basic or legacy warehouse management systems.

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Allen Brothers, a supplier of quality meats and seafood, provides a thorough case study in dealing with seasonal variation by implementing a powerful, customizable software solution.

By using Infoplus, Allen Brothers is able to maintain strict lot control, receive real time data, and handle packaging and shipping more efficiently. This partnership has resulted in increased customer satisfaction and a highly successful holiday season.





The Client and the Situation

ALLEN BROTHERS
THE GREAT STEAKHOUSE STEAKS®

Founded in 1893, Allen Brothers supplies premium quality steaks and other high-end meats and seafood to restaurants, hotels, and casinos across the country. Allen Brothers also offers many of those same products to over 100,000 consumers through a direct mail and ecommerce platform.

Family owned until 2013, the company and its assets were acquired by The Chefs' Warehouse, a premier distributor of specialty foods. This expanded their potential client reach and competitiveness.



Allen Brothers is a longtime customer of Infoplus, having used the software since before their acquisition by The Chefs' Warehouse.

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The First Challenge: Seasonal Variation in Sales

Due to the nature of their business, most of Allen Brothers' sales happen at the end of the year around the holiday season. Order volume increases substantially, meaning that the inventory, processes, and labor force that prove adequate during the rest of the year need ramping up in anticipation of this increased holiday demand.

This seasonal variation in both sales volume and logistics necessities creates special challenges for the company. These challenges are not necessarily unique to Allen Brothers or The Chefs' Warehouse, since any seasonal business contends with them at some point.

Those challenges include:

Keeping inventory on hand

There needs to be enough inventory on hand, or orderable, to keep up with demand.

Knowing inventory levels precisely, in real time

If inventory data lags behind actual quantities, items will go out of stock, creating backorders. When the season is over and sales taper off, buyers run the risk of purchasing too much inventory, which leads to an overstock situation.

Online stores need to reflect inventory

Even if inventory data is accurate, that data needs to be connected with online stores and affiliates. Otherwise, items might be sold which are not on hand.

"Big sellers" change every year

What sold well in the previous year might not be as "hot" in the current year. New items become the door-busters. Older items might sell well, but they can also be recalled, changed, or simply become less popular due to changing tastes.

Training is an issue when labor demands fluctuate

Spikes in seasonal demand mean the need for labor spikes as well. Allen Brothers, like many seasonal businesses, needs to hire additional temporary help during their busy season. Extensive training for these temporary workers is not an option; logistics systems need to be intuitive enough to use with minimal training.

Specials can make or break a successful holiday season

Special buys, discounts, and kits can all move stock that is not otherwise selling well. Accurate real time data can determine which items need promotion while leaving enough time to craft and promote the offer.

Weather is an issue

The holiday season spans late fall to midwinter, which means many parts of the country are subject to adverse weather conditions. This can delay order shipments and complicate deliveries.

Allen Brothers understood the need for ways to seamlessly scale up their operation during these high-volume periods.



The Second Challenge: Special Inventory and the Need for Freshness

The delicate nature of Allen Brothers' product line complicates an already intricate logistics process.

Keeping items fresh is absolutely necessary. Almost all goods are kept in a freezer; when an order is ready to process, those goods are pulled and brought to a separate packing freezer. Products are picked and packed at a constant 30°F.

Many orders also need to be flash frozen and ice packed before shipment. Appropriate packaging for products varies, and over-packing can be costly.

Consumers are asked to select the exact delivery date for the order to be received, and products are never shipped over a weekend. These restrictions mean a smaller window in which items can be prepped and shipped, creating a strict time in transit issue where every order must arrive on the selected day—and never be in transit for more than 48 hours.



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While these specific challenges are unique to the food industry, they demonstrate how business needs can vary—meaning that logistics solutions need to adapt to specific demands as they are found “on the floor.”



How Infoplus Helped Allen Brothers Meet These Challenges

Allen Brothers first came into contact with Infoplus four years ago when, pending a possible opening of a St. Louis location, they were looking to outsource their warehousing and logistics with a 3PL. The owners were impressed with the Infoplus software and arranged a licensing agreement.

They have been using Infoplus ever since.

Why? Infoplus allowed Allen Brothers to meet their challenges without radical changes or high costs. Features of Infoplus that were especially beneficial included:

Strict lot control

First inventory in needs to be the first out (FIFO). All items are barcoded, and Infoplus helps Allen Brothers precisely track them. If items must be moved or are recalled, this process can be easily done.

Real time data

Real time updates give Allen Brothers an accurate view of their stock levels and movement. Customized reports can be pushed to multiple platforms, meaning that the right people are notified when there is a change or a problem.

Integrations

Infoplus is cloud-based software that can integrate with many existing systems including shopping cart software (Magento, Shopify, WooCommerce, Foxycart!), accounting software (Quickbooks, Xero, General GL Systems), custom connections (SOAP and JSON APIs), and more. Allen Brothers was able to take advantage of Magento Plugins and SOAP API's to connect their sales, operations, and accounting system in real time.

Recommendations for appropriate packaging

The packaging needed for an order varies with the order's items, weather conditions, and more. Efficient packaging solutions mean less cost and fewer orders spoiled or damaged. Infoplus finds the optimal packaging for each order and helps coordinate the process. In the future, Allen Brothers hopes to use Infoplus to also choose appropriate carriers from zone to zone depending on cost, speed, and conditions.

Auto-routing of orders

Infoplus can work within multiple constraints including customer delivery dates, carrier time in transit rules, transit exceptions, and cost. These constraints create strict time in transit considerations, and the optimal solution is not always obvious. Infoplus automatically routes each carton via the most cost-effective shipping channel that will still guarantee the product's freshness and meet Allen Brothers' high standards—and customer expectations.



The Results

Last year, Allen Brothers had a wildly successful holiday season. Not only were sales up, but orders were picked, packed, and shipped at a record pace. The focus was on using Infoplus and the WMS features to streamline on-floor operations, paying particular attention to how many orders can be picked and packed per hour of labor.



Infoplus allowed for efficiencies to be found, reducing the total amount of labor needed. Core staff were quickly trained to use the intuitive system. When sales surged, temporary staff were brought on board with minimal training, oftentimes learning from core staff on the packing floor itself.

Allen Brothers is now looking forward to another record year in 2016.



Infoplus is a cloud platform for inventory, warehouse, orders and shipments. It is designed to help businesses simplify their systems, giving them the tools used by larger competitors without the exorbitant cost. The result is more control, more savings, and more customer satisfaction.

Visit us at InfoplusCommerce.com