GROWERTALKS

Features

2/26/2015

Mobile Inventory

Jennifer Duffield White



In this business, where margins are tight and the season is short, success lies in precision. So when Bell Nursery cut their inventory waste by 50%, it was a game changer, particularly for a company who does pay-by-scan.

Pictured: The Webalo system allows Bell Nursery employees to manage store inventory by scanning a bar code with their iPhones.

The secret to such a drastic change wasn't so much about plant care as it was about managing their inventory data. When Bell started using real-time inventory and mobile apps, they could finally get the right product mix into the Home Depot stores they serve, and they could also move it off the bench and sell more.

As the largest wholesale nursery grower in the mid-Atlantic, Bell Nursery and its network of growers produce and ship about 100 million plants to 178 Home Depot stores in seven states each year. And with a pay-by-scan arrangement, they own the inventory until it's sold to the end consumer.

Bell Nursery Vice President Joe Perret says, "We have the better part of 200 inventory locations to keep track of ... to make sure our inventory gets to the right places."

Keeping tabs on all that inventory—and getting the right mix of plants into stores—was a flawed process for Bell until very recently. They were doing a physical inventory at each store location once a month. Employees were recording numbers on the floor, by paper, then entering them into a spreadsheet. They were faxing in numbers from Home Depot machines and Bell's main office was adding it all up.

"That was terribly disruptive, especially if you think about April to May, when we're doing 80% of our business in a 10-week period," says Joe. "We really don't have time to stop everything and start counting."

Not only was it disruptive, but it was an error-prone system. Now, couple that with the fact that their distribution centers were loading trucks with whatever was on hand. It was clear their inventory system needed help.

"We ended up with a bizarre mix of things in stores that were not appropriate. You know, some of what was in the stores sold, but a lot of what was in the stores was in excess of what Home Depot customers were looking for, so they ended up scrap," notes Joe.

Bell Nursery began to address the problem by spreading out their warehouse distribution and examining their target inventory. Two to three years ago, they started investigating mobile solutions. Joe explains that first they looked into custom software, but found the price expensive and the lead-time long for just a few basic functions. Then they stumbled across a company called Webalo, which has a mobile app development platform. Their products combine access to back-end systems with automatic generation of mobile apps.

"We found that there was a great little tool that essentially let us be web developers without having to get into some high-level development, without having to deal with all the code and things that would be on the back end," said Joe. "They automate all of that and all of the connections to the database."

Suddenly, Bell Nursery could collect, organize and use their inventory data—and a whole lot more.

What they track

At first, they just focused on the basics. "We wanted a discard function," says Joe, to track plants they took out of inventory. They also needed an accounting function to count inventory. And they wanted a basic list of performance facts about an item—how many had been shipped, scrapped, sold, the last time they had a sale on the item, the current store inventory and so on.

"In very short order we were able to develop those functions. It has really turned out to be extraordinary for us in terms of the way we do business," says Joe.

The real savings came from not shipping the wrong things to the wrong stores. Bell now has a target inventory for each store and for each of their 400 to 600 SKUs.

Today, though, they do much more than just inventory management on mobile apps. The Webalo apps have allowed them to create a number of functions, including lists for human resources and production. For instance, they use the system to update their network grower availability so the distribution center knows what's about to be available. They can also keep track of the quality of their inventory, the quality of the watering at the store level, cart locations, store sales and more. Supervisors can create task lists for employees and see what's been done via Webalo. They even turned the iPhone camera into a bar-code reader to cut down on input errors.

Implementation

The product is available as an appliance that you would store behind your firewall and integrate directly with your own systems and your own IT environment, as Bell Nursery has done, or there's a software service version that you just get online. All of the infrastructure is built into the Amazon cloud.

"It's a very simple adoption process," says Peter Price, CEO of Webalo. "From an implementation resource requirement, the whole point of this platform is that that's very low. There are pre-built connectors in Webalo that make it easy to connect to the data." Because Webalo automates the process, Bell essentially has one

person who's responsible for generating these apps from the data that exists inside Bell.

Joe notes, "The bigger technology curve was getting the folks in the stores comfortable with using an iPhone and email." That was a bigger challenge than implementing the system itself. To that end, their employees get training every spring in using the mobile apps.

Duplicating the system

Bell's custom-developed task list for supply chain and inventory management (SCIM) has been so successful that Webalo is now making it available as an enterprise mobile product. They're marketing it to manufacturers, retailers and wholesalers looking for real-time supply chain management capabilities on mobile devices.

Pricing wise, everything with Webalo is based on a per-user fee. Webalo's customer base ranges from giants like Wells Fargo and GE, who might have thousands of users, to small companies with just five people using the system.

Joe says it's a good solution for growers and/or retailers with lots of inventory locations and a perishable product, especially for those in the pay-by-scan business.

"Margins have just gotten too skinny to not manage inventories," he says. "And there should be more people moving in that direction of keeping track of what they've got in various store locations or retail outlets so that they can minimize their scrap and maximize their income opportunity." **GT**