



## A smooth blend

Coffee Club deploys SAP to improve its workflow and better integrate front- and back-end operations.

By Eileen Yu

Incompatible applications, disparate systems and tedious data entry—these were the challenges Singapore-based gourmet coffee chain, Coffee Club, once faced.

Data collected at the 10 outlets in the country could not be easily shared because they were stored in four different types of point of sale (POS) machines.

"The POS systems were not compatible because of their different make and coding structures so we had difficulty collating the information," explained Prabhu Ananth, assistant vice president of MIS, Coffee Club.

The company's financial accounting and payroll software were bought off-the-shelf, and employees needed to re-enter data separately for the purchase and finance applications. The payroll system was also not integrated and the organization had to rely on manual data input.

Coffee Club also operates a central kitchen that produces all food items sold at the outlets. Each outlet would send their orders to the head office where a staff member would then manually collate the data, and send a report to the kitchen

for production. "Everyday the orders that come in are different," Ananth noted. The company manages about 200 items of raw materials and 200 tons of semi-finished goods at any one time.

"And at the end of the day, if we wanted to analyse the company's overall input and output, it was virtually impossible to do so. We couldn't go down to the level of individual items to find out what was selling well and what wasn't," he added.

With plans to double its number of outlets to 20 in Singapore within the next 10 to 16 months, Coffee Club needed an IT infrastructure that was integrated, that facilitated effective data consolidation and could support better decision-making.

"So we decided to change and upgrade everything," he said.

### SMOOTH OPERATIONS

Part of this transformation included Unisoft's CPG100, an SAP solutions suite that comprises tools for demand forecasting, manufacturing, warehousing, distribution and fulfillment, sales management and customer service. Unisoft provides systems integration and consulting services that specialize in value chain management.

Shresh K. Buzla, director of Unisoft, said: "CPG100 is based on industry best practices to meet the unique needs of small and medium businesses like Coffee Club... to help streamline its back-end IT systems and integrate them with its customer-facing systems, to increase operational efficiencies, gain

better visibility of the business and drive better decision-making."

Deployed in stages and with a guaranteed completion time of 100 days, CPG100 gives Coffee Club improved inventory management, more accurate forecasting of products demand and supply, and business intelligence functions, Ananth added.

Each outlet now has a POS system that provides purchasing and requisition functions, and that is connected to a server located at outlet. Data collected are then sent from the server to a central system at Coffee Club's head office.

The company is currently testing a new feature that will enable automated item re-ordering from the outlet directly to the central system, he said.

The new system has provided greater data accuracy, since it lessens the need for manual data entry, he noted. ■

### CORPORATE PROFILE

**COMPANY:** Coffee Club—currently has 10 outlets, which will double within the next 10 to 16 months  
**IT BUDGET:** More than S\$500,000 (US\$296,200)  
**NEW IMPLEMENTATION:** Spent about S\$300,000 (US\$177,720) (including hardware and software, and three years' service support) for Unisoft CPG100, an SAP solutions suite that encompasses tools for demand forecasting, manufacturing, warehousing, distribution and fulfillment, sales management and customer service.