

Portable Data Terminal Purchase Decision



D) Data Collector

Initial Store Setup

Portable data terminals (PDT), handheld scanners, will be used to help in creating the initial scanning database. Usually Cherry Systems will have a third party inventory service do this. If this is a small store Cherry Systems will provide loaner scanners. The customer does not need to consider initial store setup in a purchase decision.

Physical Inventory Audit

If using an outside inventory service a PDT is not needed at the store for a physical inventory audit.

Taking an inventory is a time consuming process. For a store with 2500 different items a physical inventory will take a full day and perhaps much longer if only using one PDT. The man hours necessary may not be available although the inventory could be broken down so a portion of the store is done every week. And depending on management control, the personnel performing the counting may not be the same people responsible for maintaining the inventory.

In central and southern California, Arizona, New Mexico and Nevada, Reddick Inventory Service has CSS compatible scanners and is capable of not only counting the inventory but actually transferring the data to CSS, posting the data and producing the report. Other third party vendors may also take inventory and CSS has built in menu item for using their data files.

Price Checks and Changes

The PDT's allow price checks and changes. This is very handy for making sure that the shelf label price is correct, to make it easier to see if similar products are consistently priced and to change the price of items for increased costs or data entry error. Using the PDT out in the store, scan the item and the PDT will display the POS system's retail price. If the retail price does not match the shelf label one or the other is incorrect. If the shelf label is incorrect a new shelf label will have to be printed. If the POS retail price is incorrect a new retail price can be entered into the PDT and then the changes downloaded to CSS.

PC Data Entry

Some PDT's can also be used for data entry into CSS. Instead of typing a UPC number just scan the item and the data field will be filled from the scan. This should never be the only reason to buy a PDT. Much less costly alternatives are available such as the permanently attached LS-2208.

Invoice Data Entry

Invoice data entry is a time consuming and detailed process. There are three ways to update your inventory balances and costs from vendor invoices. The first method, electronic invoicing from major general distributors like McLane and Coremark, should always be used when possible.

The other two methods require a management decision of which to primarily or exclusively use. These two methods will be used for all other vendors. The portable data terminal (PDT) may be used to scan in the deliveries. And/or the invoices may be directly entered into the CSS program. Here are the advantages and disadvantages of both.

| | Portable Data Terminal | Direct Data Entry |
|--|--|--|
| Speed | <p>Slower due to constantly handling of merchandise and using the PDT keypad. Very slow if done after delivery is stored or put on the shelf as the merchandise must be searched for.</p> <p>Considering that it takes time to check in the vendor anyway, this should be done at the same time.</p> | <p>Faster if you type very well. Type in the vendor reorder number, usually 3 to 6 digits and the quantity. CSS will insert the last cost automatically and only needs to be entered if it has changed.</p> <p>Requires more setup by the customer to initially assign the item number to each UPC.</p> |
| Accuracy | <p>Easy to scan wrong product if not very careful reading the abbreviated invoice descriptions.</p> | <p>Errors in data setup are generally easier to catch.</p> |
| Handling New Items | <p>Can be easier because the item and all relevant information (except possibly your retail price) are readily available.</p> | <p>Usually requires you to get the item from the store to get the UPC number.</p> |
| Cost Change Notification | <p>Notification is provided.</p> | <p>Notification is provided.</p> |
| Use of management & employee time. | <p>May require less management time as any employee can learn to use the PDT for the scanning while management could transfer to and check the data being posted into the computer.</p> <p>If management will be using the PDT their schedule may become long or erratic to be there for all the deliveries.</p> | <p>Inventory control (and thus accuracy) may be an important primary responsibility of management and you do not wish to delegate to less motivated and less careful employees.</p> <p>The PDT may serve as a backup when management takes extended time off for a vacation. While management is on vacation an employee may use the PDT and then management can download on return to work.</p> |
| Central office operations where store and the office are not in the same location and the office maintains the inventory. | <p>Most PDT's can be downloaded via modem or Internet but a paper invoice or facsimile still has to be at the office for proofing and correcting data entry. And store needs to make sure the invoice is notated with new item information.</p> | <p>Less cumbersome than downloading via modem but also harder to add new items unless a procedure is set up to make sure office receives the new product UPC with the invoice.</p> |

If setting up CSS the very first time it is important to plan early which method will be primarily or exclusively used because you may have anywhere from about 1500 to 3000 UPC's. The method chosen will dictate what needs to be setup in the CSS inventory program. Thus early decision making may lessen considerably the amount of setup that needs to be completed

Either method may be used at anytime. A Coca Cola delivery be entered with a PDT one week and directly entered into CSS the next week.

| Setup Task Description | Portable Data Terminal | Direct Data Entry* |
|---|---|--|
| Assign vendor to each UPC | Not needed but required if using the CSS recommended reordering | Required to make data entry efficient |
| Assign vendor item** number to each UPC | Not needed but required if using recommended reordering | Essential to speed up data entry. and to not have opened cartons being stored. |
| Setup carton file*** | Depending on the merchandise essential to speed up scanning by not opening cartons. | Not needed but may be helpful for invoices listing carton UPC's only. |

* Most major general distributors, e.g. Coremark, McLane and Eby-Brown will make available on request a floppy disk or e-mail file attachment that can be used to update the vendor account number and item number for each UPC. This same disk will also be used to aid in the setup of invoices received via an Easy Link mailbox or via e-mail.

** Vendor item number is the CSS term used for all the different product identification nomenclatures on the vendor invoices. For example Coca Cola calls this an article number, Coremark calls this an item number, and Frito-Lay calls this a product number.

*** The carton file is used as a supplemental data file on the PDT to make physical inventory and receiving invoices easier. For example you will sell Snicker bars. They will be received in a carton. That carton is normally not setup in your cash register POS files because you do not sell candy by the carton. However when taking a physical inventory and receiving items it will make life much easier if you can just scan the carton UPC and have CSS convert it into the correct number of individual bar UPC's. This way you do not have to physically open the carton, a time consuming and loss prone operation, to receive or count the contents inside the carton.



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