Nathel & Nathel, Inc.

Proof of Delivery Imaging System Saves Produce Firm Money, Time and Paper

Implementation of a proof of delivery imaging system is eliminating losses caused by misfiled receipts, reducing the time spent to find delivery documents, providing immediate response when a customer requests proof of delivery, and saving paper. In the past Nathel & Nathel, Inc., a produce wholesaler in Bronx, New York, used a paper-based proof of delivery system that contained a voluminous quantity of delivery tickets. The company spent large amounts of time looking for tickets but often lost revenues because they couldn't find them. Then the company switched to a new archiving system that stores scanned documents and computer-generated reports onto a hard disk where they can be accessed in seconds. "Our savings are large, but it's impossible to put an exact dollar value on them," said Rich Byllott, C.P.A. and Chief Financial Officer of the company. "We have eliminated collection problems due to our inability to provide proof of delivery within a reasonable amount of time. Our customer service people are saving 30 hours per week because they can call up documents on their computer instead of rummaging through file cabinets. The document requested by the customer can be faxed via the computer while the customer is still on the phone. We have also reduced our paper costs by about 35% because we have eliminated the need to print many reports."

Nathel & Nathel, Inc. is a third generation business established in 1922 by Daniel Nathel and Gashen Wishnatzki who became wholesale merchants in the fruit and vegetable industry, operating at the Washington Street Market in New York City as Wishnatzki & Nathel. Currently, Nathel & Nathel employs a staff of over 125 and make deliveries around the clock throughout the tri-state New York City metropolitan area. With a serious passion for the produce industry it has enjoyed phenomenal growth and success since its inception over 80 years ago.

> "Metafile's COLD system saves our financial people nearly as much time as the imaging system saves for customer service... besides saving time we have substantially reduced our expenses in labor, paper and storage space."
>
> Rich Byllott
> CPA and CFO
> Nathel & Nathel, Inc.

Industry:

Distribution

Metafile Solution:

Proof-of-Delivery
Customer Service
AS/400 Integration
Accounting

Nathel & Nathel Corporate Profile:

Third generation American produce company established in 1922

Employs 125 + employees and occupies 13 warehouse units within Hunts Point Terminal Market

METAFILE
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NATHEL & NATHEL

Bronx, New York

Produce of USA

Previous paper-based system

Nathel & Nathel uses an order entry and accounting system that runs on the IBM AS/400. Customer service representatives (salesmen) enter orders into terminals, and about 2,500 tickets are printed daily throughout business hours and distributed to drivers that deliver the products. When the drivers make the deliveries, the customers sign the tickets to verify receipt of product. In some cases other important notations may be made on the ticket, such as that the entire order could not be delivered or that the customer has returned product from a previous order for credit. With the old paper-based system drivers would give the tickets to the accounting department who would make entries to verify the deliveries and file them in cabinets by customer name.

A certain percentage of the tickets also generate questions or problems. For example, a storeowner may call up and say: "How come you billed me for 10 cartons of strawberries? I only received 7!" Whenever a question like this arose, the customer service representative would tell the customer she would look into it and call them back. Then she would search through the hundreds of thousands of tickets stored in the filing cabinet. The service representative would check the ticket to see what had been delivered, make sure the customer had signed off on it and call the customer back. Inevitably there were times when the ticket could not be found because it had been misfiled or lost. In these cases there was no way to prove that the product had been delivered to the customer, and the customer often would not pay the bill. Another concern with the old paper-based system was that huge volumes of reports detailing the company's sales and financial records had to be printed, distributed and stored for reference.

Installing the imaging system

Strategic Business Systems of Ramsey, NJ, a certified partner with IBM and Metafile, has been providing document management solutions since 1992. Mitchell Gottlieb, from Strategic, made the recommendation to Byllott to use Metafile's Metaviewer Enterprise software to automate the paper-based ticket tracking system. "Metafile brings several important strengths that weren't available in other systems" says Byllott. "Their software integrates well with the AS/400 so that it can, for example, update a database field that indicates a delivery receipt has been imaged. Metafile also has the ability to store not only scanned images but also reports generated on the host computer. We realized that this one system would be able to eliminate the vast majority of the paper in our office. After talking to a few of the other companies in similar route-based businesses that were using the Metafile system, we told Strategic to go ahead and install it."

The Metafile application was set up so that the scanner reads the bar codes on the tickets, eliminating the need to type this information. After the documents are scanned, the system automatically validates each document with the AS/400 database. If a valid match is found, MetaViewer Enterprise reads the ticket number, customer number, truck number and stop number from the AS/400 database and indexes the document with this information as well as the ticket number found in the barcode. If a matching ticket number is not found in the AS/400 database, the ticket is routed to a rejected database for manual entry. "Once the scanning has been completed, the software checks the tickets against the AS/400 database and issues a report that highlights any missing tickets that were given to the drivers in the morning but not signed and entered into the imaging system," Byllott said. "If we see that any tickets haven't been entered, we track them down immediately. When we are done, we have complete confidence that we can answer every customer inquiry."

Saving money, time and paper

"When the process is completed, customer service reps can answer customer inquiries immediately, without even putting them on hold," Byllott said. "They simply ask the customer to wait for a few seconds while they type in whatever information they have, such as the ticket or customer number. The ticket then pops up on the screen, and they can see a copy of the document the customer signed, stating exactly what they received. If the customer wants to see a copy of the document, all they have to do is print to the Winfax faxing software, and the document will be immediately faxed to the customer. I also checked with our corporate counsel, and he told me that the scanned documents could be used in a court of law if it were ever necessary. Since we have installed the new software, we have not lost any dollars at all because we are able to come up with a signed receipt. At the same time our customer service representatives are spending much less time searching through filing cabinets and more time taking care of our customers while enjoying their work because of the efficiency." All of the services that Strategic performed; setting up the network, the hardware and software configuration, the AS/400 integration, and the custom designed reports, proved to be essential to that success.

Nathel & Nathel also uses Metaviewer COLD to archive a number of AS/400 reports, such as receivable aging and a multitude of required records both for corporate and governmental matters that were previously printed and stored in large filing cabinets. Metafile's windows-based, menu-driven download software automatically downloads the host spool file from the AS/400. The program works by reading the spool file and converting it to the compact, searchable file format that resides on the Windows 2000 server. "Metafile's COLD system saves our financial people nearly as much time as the imaging system saves for customer service," Byllott said. "While they used to have to page through thick reports to find the particular entry, now they simply type in whatever they know, the account number, customer name, amount, whatever. The line item they are looking for pops onto the screen almost immediately. Besides saving time, we have also substantially reduced our expenses in labor, paper and storage space."

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