

Labatt Food Services

Labatt Food Service Uses ASNA Technologies to Deliver Customer Value via the Web



One of America's superstar distribution companies, Labatt Food Service of San Antonio, delivers more than just its core brand-name products. Labatt aims to remove the mystery from the economics of distribution to help its customers lower their total procurement costs.

Through basic service excellence, building innovative systems to ensure high distribution reliability and especially by developing new data services for its customers, Labatt creates value.

Often labeled as "a different kind of food distribution company" and "info centric" by industry analysts, Labatt has seen its revenues grow from just \$8 million a year in 1980 to nearly \$500 million today. A not-so-secret key ingredient in the company's success has been healthy dollops of information technology based on IBM's iSeries servers that have been extended with the help ASNA software.

Today Labatt is one of the 15 largest food distribution companies in the nation.

The Challenge

Long committed to leveraging the power of its information systems, Labatt has relied on IBM midrange systems since the late 1980s, finding the iSeries machines "100 percent reliable and scalable."

"We've always done everything ourselves, and we're committed to keeping all our data in one place. It resides on our iSeries," said Tony Canty, vice president of information technology and accounting. "But in 1997, we began to like the idea of using the Internet and Web browser technologies."

After investigating the options available in 1997, Labatt settled on using Visual Basic code and ASNA's iSeries database access technology, DataGate Component Suite (DCS), to make the leap to the Web. Canty says the approach was fast, secure and "a lot less cumbersome" than other methods being offered at the time.

However, in fall 2003 when ASNA launched its ASNA Visual RPG for Microsoft Visual Studio.NET

(AVR for .NET), Labatt decided it needed explore new options. "We decided we ought to be taking advantage of some better development tools," said Canty, "and getting directly into .NET."

One approach Labatt's team ruled out was changing to the Java programming language.

"We have no interest in doing IBM's Java/WebSphere approach," said Canty, despite describing himself as a 'true-blue' believer in IBM machines. "We thought it was way too cumbersome, too much of a learning curve, and would take up too many resources."

Instead, Labatt chose AVR for .NET. Although Labatt had rejected ASNA's COM-based version of ASNA Visual RPG (AVR) in 1997 because it involved an integrated, proprietary development environment, Canty said Labatt had been impressed with the technology nonetheless. So when ASNA announced AVR for .NET in 2003, "we thought it was time."

The .NET Solution

A year ago, Labatt sent three developers to ASNA for training. "We thought we could make them three to four times more productive by getting into .NET," said Canty, "and it has."

Citing a quick learning curve and ready acceptance by Labatt's development team, Canty said AVR for .NET has let Labatt preserve its investment in people, equipment, data, and processes.

In addition, it enabled a number of successful projects that contribute directly to Labatt's business results. One of the first such efforts was a transportation/sales related project written for .NET. Labatt was trying to identify and eliminate "unprofitable deliveries."

"Our biggest expense other than food is transportation," said Canty. "We broke our P&L down into quadrants, identifying the least profitable deliveries within dollar ranges. We then took that information by account and posted it out weekly to our sales managers and reps, saying, 'Okay, let's address the key issues.'"

AT A GLANCE

Customer Profile

Labatt Food Service, one of the nation's largest food distribution businesses, relies on information technology to expand its leadership position in the industry and the iSeries is integral to the company's success.

Situation

The company relies upon the iSeries for its business specific functions, but needed to extend these applications to the web. IBM's WebSphere proved too cumbersome and foreboding, leading the company to conclude that Microsoft .NET was a better solution.

Solution

Using ASNA Visual RPG for .NET, Labatt leveraged the skills and knowledge of existing development resources to create web based applications that resulted in immediate reductions in transportation costs.

Benefits

- Leveraged investment in iSeries applications
- Used existing programming resources
- Weeks not months of development to extend applications to the web

Products

- AVR.NET
- DataGate
- IBM iSeries
- OS/400
- DB2/400

Sales managers could look at a graphical representation, view eight-week historical perspectives, and drill down into the data to pinpoint profitability problems.

"The field force loved it," said Canty, "Especially the timeliness of it, being able to focus on things by exception." Plus the commission-compensated sales force liked having the information available for the first time via the Web whenever they needed it. "Everybody's on the Web, even at home," he said.

The field force used the new information to reduce Labatt's overall transportation expenses a few tenths of a percent as measured against sales. "And a tenth of a point is a lot in a business with P&L like ours," said Canty.

How effective was AVR for .NET? "The transportation/sales application was written by a programmer the same week he took the training class at ASNA," said Canty. "It took a week and a half (to develop the application), and the first half week was the training class."

The Results

Ask Canty about Labatt's satisfaction with his decision to use AVR for .Net, and he enthusiastically starts spinning out plans that include a lot more .NET applications.

"We won't migrate just to migrate," said Canty, "but we will look at anything where it makes sense to run out of a browser environment, as opposed to a menu environment."

Since 1997, Labatt's IT team has been migrating applications first for people who spend a lot of time on the Web, such as customer, vendor and human resources. In 2005, Canty expects to spread .NET applications to purchasing and management applications as well as "touching a lot of other parts of the business."

In fact, Labatt has sent an additional 7 developers, including three from the company's network group, to ASNA classes. "There's no question that .NET gives a much more productive development environment," said Canty.

"From where things stand now, I think AVR for .NET gives us the best of both worlds, that being IBM and Microsoft," said Canty.

".NET gives me flexibility," he adds. "For some applications or sets of applications, I'll even have the flexibility to use other databases."

But, the real bottom line for Labatt is the ability to serve customers through superior information technology, to succeed by helping its customers succeed. That's a competitive advantage Labatt holds alone in its industry.

Says Canty: "Our competitors just don't invest to do it."

About Labatt Food Service

Labatt Food service is a broad-line distributor to the food-away-from-home industry, known within the industry as a fast-growth; high-energy company that continually innovates to bring ever better service to its customers. A privately held company, Labatt and its antecedent companies have operated in the food business in San Antonio since 1910. Today, Labatt operates throughout Texas and even internationally with headquarters in San Antonio and offices in Austin, Corpus Christi, Dallas/Fort Worth, Harlingen, and Houston.

Labatt's strategy has been to be the "Home of the Best" – the most professional representatives, the highest quality products, the most innovative technology services. Click [here](#) for more information about Labatt Food Service.

About ASNA

Established in 1982, San Antonio-based ASNA develops and markets unique software products that evolve IBM AS/400 and iSeries/i5 systems. Aligned with Microsoft's .NET initiative, ASNA is the only company to offer a thoroughly conceived, standards-based extension and migration path that solves its customers' business challenges. For more information about ASNA: <http://www.asna.com/>.

Most recently, ASNA joined Microsoft in founding the Midrange Alliance Program, a strategic initiative to help enterprises worldwide reduce the risks and high cost of maintaining, extending and migrating aging IBM midrange systems. The alliance establishes the technical foundation for these enterprises to efficiently move to .NET and includes ASNA products as cornerstone enabling technologies. For more on the Midrange Alliance Program: <http://www.microsoft.com/midrange/>.



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