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### Product Solution Delivered

"The Itronix fex21 has proved a resilient, reliable and effective solution. Unbelievably, our £250,000 investment paid for itself in under four months and we now know more about our business than ever before."

Noel Morris – Chairman,  
Merchants Matrex

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## Case Study:

# Merchants Matrex

### **SITUATION: Merchants Matrex Ltd - mobile vending service solution**

Merchants Matrex Ltd is the UK's largest independent personal care vending company with over 14,000 vending machines dispensing condoms, sanitary towels, analgesics, and other personal items. Its customers include major pub chains, hotels, railway stations, and motorway service area operators. The annual turnover is around £2.4 million.

### **PROBLEM: To end a paper bottleneck and obtain better management information**

Visiting 15 sites a day each for routine re-stocking and cash collection, the company's 20 UK zone operators used to generate substantial paperwork. Apart from recording product details, sales, cash and stock replenishment, operators also gave the site owners a hand-written receipt. In addition to the 120,000 machine visits made during a year, there were 20,000 on-demand calls for re-stocking, repair, replacement, or installation.

A three-part paper 'ticket' system was used to record information about each visit. The details were entered three times - manually at the zone operator level and then keyed into a FoxPro-based operations database and keyed again into a Tetra CS3 accounting system. Operators relied on a paper schedule of planned visits and received phone calls for ad-hoc service requests.

For Merchants Matrex Chairman, Noel Morris, the paperwork was a major bottleneck as the tickets took months to be fully processed and full reconciliations were near impossible. The company wanted a rugged mobile solution to capture data at each sited vending machine, eliminate the paper work and improve management information. It also sought tighter internal controls to reduce the risk of fraud.

"We required a seamless solution to 'quantum leap' all of the issues as cheaply and quickly as possible. I used my 20 years business experience to come up with ideas for a basic system which I called VendaMatix," said Morris.

### **AN ITRONIX SOLUTION:**

Although Palm-based systems were briefly considered, the company found the Itronix Fex21 handheld PC more suitable. Morris says that it was lightweight, rugged, water resistant, fast and offered excellent battery life. The Fex21 had built-in wireless communications, integral bar code reading and ran the Microsoft Windows CE operating system. It also included an infrared link to a rugged Zebra Cameo 2 printer. By building new back-office applications based on Microsoft SQL Server and Exchange, tight integration to the handheld system was assured. Data from the existing FoxPro database could also be moved to the Microsoft environment. **The development and implementation work was handled very effectively by Macaw Computing Limited** who now sell a generic mobile system for vending operators known as "Hawk".

Morris said "I chose Macaw because of their proven ability to deliver software projects on time and on budget over many years in many

industries. This system was absolutely mission-critical and there was no choice other than Macaw for that reason. VendaMatix was an excellent delivery from an excellent software developer."

The new mobile and back office systems have worked seamlessly across a GPRS wireless link since March 2002. Touch screen-driven applications on the Fex21 include visit recording, site and machine details maintenance plus automatic calculations. The zone operators needed just half a day's training each.

Bar codes on the vending machines are read using the integral scanner. Machine information is recalled to screen including type and products dispensed. The user enters counts of the unsold items, new stock is added and the cash counted. The Fex21 produces all the calculations and information to maximise efficiency. A timed receipt is printed as required and the data transmitted automatically for processing.

Although routine visits are still planned on paper, ad-hoc service calls are now automated. Tasks are sent to the Fex21 from a call centre and completion monitored with two-way free-format mobile communication as necessary. Up-to-date information is instantly available to managers on a desktop PC.

"It's the best thing to have happened to the company. The Itronix Fex21 helps control our daily sales and cash banking as well as saving our zone operators two hours of paperwork a day," said Morris.

The seamless flow of field-captured data into the Microsoft SQL Server database now drives the business. The system accounts for cash, makes reconciliations and controls zone operator tasks. Data for sales, commissions, and rentals is swiftly posted into the accounting system for more timely invoicing and improved cash flow. Comprehensive management reporting supports tight internal controls while far fewer people are needed in administration.

Merchants Matrex Chairman Noel Morris claims that the system is a vending industry first, a pivotal turning-point that made the business very efficient. Using Crystal Reports, the database is constantly analysed to find the best mix of products for increased sales and profitability. Extracts to a Microsoft Excel spreadsheet and Microsoft MapPoint have introduced a geographic dimension too.

Sales are now being ranked by zones, product lines and sites to identify profit by location. Combined with some GIS work, the company has introduced predictive site visits for enhanced sales and customer service. Daily routine tasks are now forwarded to the Itronix Fex21 handheld PCs.