Atlantic Coast Supply Company (Acosco) is a regional produce company that supplies produce and specialty goods to restaurants and hotels/motels in the Southeast region. They are headquartered in Jacksonville, Florida. They have shipping warehouses in Tallahassee, Florida, and Savannah, Georgia. They have a data center located in Orlando, Florida, that manages all IT for the entire company as well as houses the main servers.

In each of the warehouse locations, they have a general warehouse manager, an inventory manager, an administrative assistant, two stock clerks (day and night shift), and stock pickers. Also, sales personnel have the ability to work out of the warehouse utilizing a pool of “sales desks.” However, for the most part, sales personnel work from their homes.

The territory that is covered by each of the shipping warehouses is generally within a 100 mile radius of the warehouse. For example, from the Tallahassee location, the cities of St. Petersburg, Tampa, Orlando, and Pensacola would be covered. Sales personnel are located in each of the major cities.

Sales personnel are responsible for establishing new accounts, handling existing account requests and problems, entering orders and troubleshooting shipments. Each salesperson has been issued a cellular telephone, which is both a cell phone and a walkie-talkie. This allows the salesperson to contact customers or others using the cell phone and the warehouse and/or their sales manager via the walkie-talkie.

Sales orders can be entered in several methods. The salesperson can take the order from the costumer and enter it into the system via computer on a dial up basis to Orlando. Orlando then processes the orders and sends the picking tickets to the appropriate warehouse. Customers can place orders directly with the warehouse by either faxing the order or calling the order into an answering machine. They have to be placed by 11 P.M. each night if done in this manner. The on-duty stock clerk then types these orders into the system. Once the orders are entered into the system they are picked and loaded on the appropriate truck for delivery. Each truck begins its delivery schedule at 6 A.M. the next morning. All deliveries are to be completed by 3 P.M.

The president of Acosco, Mr. Samuel Bernstein, has always maintained as the primary goal of the company to provide the best customer service and the lowest cost. However, as the company has grown, this goal has become harder to maintain. Some of the problems that Mr. Bernstein has identified are:

1. Most customers prefer to deal with their salesperson when placing orders and only use the fax or phone system for add-ons.

2. Sales personnel can only place orders either through their home computers or via the phone. The salesperson has to enter all orders after visiting customers and writing down their orders. This can cause errors in ordering.
3. Because of the number of orders and in the haste to pick orders late in the evening, errors are being made.

4. Sales personnel are spending much of their day troubleshooting existing orders, rather than taking new orders or developing new accounts.

Mr. Bernstein called in his friend Cy Warblewitz, owner of Jax Networking and Cellular Service, to ask him if he has a solution to these problems. After studying the order process, Mr. Warblewitz has recommended a cellular solution using the existing cell service provider. Each salesperson will have to be issued a laptop, which will connect serially to a new digital cell phone. Estimated cost for each salesperson is $1,500.00. There would be no increase in expense of cellular service because they pay a flat fee each month per cell phone. This system will allow the salesperson to enter the order directly from the customers’ premises. The system chosen utilizes the 1xRTT standard.

Mr. Bernstein implemented the new system. After several months, he revisited the issue and found the following:

1. Salespeople were more productive and able to bring in additional customers.
2. Customers were buying more product.
3. Fewer picking errors were occurring due to the ability to pick orders.

Mr. Bernstein was extremely pleased with his findings.

BUSINESS CASE STUDY QUESTIONS

Based on the topics covered in Chapter 5, answer the following questions.

Business

1. What are the primary activities that are impacted in this case?
2. What specific activities were adversely impacted by the current system?
3. What was the motivating factor?
4. What were the anticipated expenses?

Application

1. Do any applications need to be specially developed for the new system and why?
Chapter Five / Business Case: Atlantic Coast Supply Co.

Data
1. What is the maximum current data rate of transmission for the sales personnel?
2. What is the proposed data rate of transmission for the sales personnel?

Network
1. Which technology did Acosco choose for their wireless system?
2. What are some of the potential benefits of this technology?

Technology
1. What type of access devices must be employed to utilize the service?