

Associated Grocers of New England Makes a Fresh Start with LXE.

CASE STUDY

ASSOCIATED GROCERS OF NEW ENGLAND organized in 1946 in an 18,000SF facility under the New Hampshire Wholesale Grocers banner. The company built upon its strengths and soon changed its structure to form a co-op known as Associated Grocers of New Hampshire.

The membership of retailers grew and the Company expanded. It eventually moved to its existing location, and in 1969 the name became Associated Grocers of New England, Inc.

In 2006, the company opened its new 378,000SF distribution facility in Pembroke, NH. The new facility enabled the company to double its capacity and expand and enhance its perishable offerings.



The Associated Grocers of New England (AGNE) distribution center in Pembroke, NH is much more than a building, it is a strategic asset. AGNE designed and built the new distribution center so it could provide more products and services to its customers. The motivation to improve is a big reason AGNE chose to equip the 378,000 square foot facility with new vehicle-mounted and handheld mobile computers from LXE.

"Our goal is always to deliver the right goods, to the right customer, at the right time, for the right price. Performance at our distribution center is very important to meeting that goal," says Associated Grocers of New England's Director of Information Technology, Ken Peperissa.

Associated Grocers of New England is a cooperative that serves independent grocers in all six New England states plus eastern New York. It offers grocers an inventory of more than 26,000 SKUs and provides merchandising, marketing and other services. AGNE's legacy distribution center had been expanded several times during the company's 60-year history, but expansion reached its limit and the DC could no longer support growth.

Strong growth plus expansion limitations prompted Associated Grocers of New England to begin planning a new facility from the ground up, which provided the opportunity to reassess all systems and processes. AGNE was mostly satisfied with its legacy wireless computer system, but the equipment was aging, so AGNE decided to outfit the new facility with new equipment. It wasn't expecting quantum improvements in productivity or performance from new wireless equipment, but was pleasantly surprised in what it gained from LXE.

"Our old equipment was working just fine, and had it not been for the move we never would have explored

other vendors," says Peperissa. "We used the opportunity of the move to reevaluate everything we had. It's been a positive experience. The LXE units are very reliable, very rugged, and the service and support we received throughout the entire process have been outstanding."

New Requirements

Given the flexibility to choose the combination of wireless infrastructure and mobile computer equipment to best meet its future needs, AGNE formed a task force to gain input from all major business units. The group specified the features and performance the new system should provide. One of the biggest planned changes was to install an 802.11-standard wireless backbone from Cisco Systems. Previously, AGNE used wireless access points from its mobile computer vendor. Standardizing on Cisco gave AGNE a well-supported infrastructure with numerous network management and security options.

The fundamental decision to build around Cisco made interoperability an essential requirement for the new mobile computers. "We did not want to get into a finger-pointing situation between the computer and network providers in case something didn't work," says Peperissa.

Other important selection criteria included:

- Flexibility in the product line for convenient use in picking, putaway, shipping, receiving and cold storage operations;
- Rugged, reliable products that were proven to work in freezers plus other cold, damp conditions;
- Compatibility with Associated Grocers of New England's IBM iSeries host computer and Power Warehouse software from Retalix;
- Long range bar code scanning capability.



The task force thought it found a suitable computer and was prepared to place an order when a consultant suggested AGNE consider LXE. Associated Grocers of New England took advantage of LXE's flexible evaluation program to use the equipment for two weeks in its distribution center. Before the trial period was over, the task force concluded that LXE's mobile computers were superior to the previously preferred products.

"The trial program was very helpful," says Peperissa. "When our employees worked with the units, we learned that several of LXE's features were really useful. For example, the large keypad on the forklift-mounted computer is great for our operators, because they often wear gloves. We also learned the built-in antenna makes the handheld computers easier to use and more durable. The long range of the bar code scanner was also helpful to our operations."

AGNE needs different sizes and types of computers, so LXE's product family was also a plus. Associated Grocers of New England chose LXE's VX6 vehicle-mounted computers for its forklifts, plus MX7 and MX5 models for handheld operations. In total there are approximately four dozen LXE wireless computers in use at the Pembroke DC for picking, putaway, shipping, receiving and other inventory control operations. AGNE chose LXE's internal heater option for computers used in the frozen food storage area.

The VX6 is a vehicle-mounted 802.11b/g-standard wireless computer with an IP66 ruggedness rating. It has a 10.5-inch color touch screen with optional heating to eliminate condensation and ice buildup. The standard model can be used at temperatures ranging from -4°F to 122°F (-20°C to 50°C), and the freezer model with heater can be used at -22°F (-30°C).

The MX7 and MX5 handheld computers have built-in laser scanners that read bar codes from more than 40 feet in AGNE's warehouse. They also have 802.11b/g radios, large screens and keyboards, and can be used in cold storage areas.

All the models run the Microsoft Windows CE. NET operating system and provide terminal emulation for AGNE's Retalix warehouse management system. They all also connect seamlessly with AGNE's new Cisco wireless infrastructure, and support Cisco Compatible Extensions (CCX) Version 3. CCX is Cisco's certification program that assures customers that the wireless products that they are placing on their Cisco wireless network operate efficiently and support the latest Cisco features.

A Fresh Start

Associated Grocers of New England now has the facility, network and computers it needs to efficiently grow and expand its services. Since moving into its new distribution center, AGNE has increased its perishable offerings and moved forward with other growth and service plans. The customer base has also grown, putting more demands on AGNE's workers and facility.

"Our wireless computers get a lot of use, and in some cases, a lot of abuse," says Peperissa. "LXE's computers and service have been very reliable, and have given us exactly what we need."



About LXE Inc. LXE Inc. improves supply chain performance by applying over 36 years' experience developing wireless products and solutions. From wireless computers, advanced auto-ID technologies, and wireless network infrastructure, to our award-winning customer support - LXE's easy-to-use products are as reliable as the people who install and support them.

Based in Norcross, Georgia, LXE also offers a full range of turnkey services, including radio integration, project and installation management, network design, technical support, and repair services. LXE is a wholly-owned subsidiary of EMS Technologies, Inc. (NASDAQ: ELMG), and has offices worldwide. For more information, visit www.lxe.com.