

Hershey is Sweet on LXE Computers

CASE STUDY

HERSHEY. - As the largest North American manufacturer of quality non-chocolate, chocolate and confectionery products - mouth-watering names like Reese's, Hershey's Kisses, Kit Kat, Mounds and Bubble Yum - The Hershey Company distributes its goods to a large variety of retail and other customers. Quality distribution and data collection are key elements to providing those customers with a high level of customer service.



With its previous generation of data-collection terminals reaching the end of their maintenance contract - and the end of vendor support for the products - Hershey was ready for an update. The legendary \$4 billion snack maker uses handheld and vehicle-mounted computers to support a range of warehouse activities from materials receipt to inventory control; goods movement and management to shipping in its North American plants.

Hands On Evaluations

The computers serve as the front-end to a solution that includes ACSIS data collection middleware integrated with SAP enterprise resource planning, feeding them essential data about product movement. To fulfill this important role, Hershey set a number of standards its next generation of handheld and vehicle-mounted computers would have to clear.

During a six-week evaluation process, Hershey invited several computer manufacturers to present their products, followed by field and lab tests of the finalists. "We gave users and supervisors the opportunity to test them," says Martin Rupert, project manager. "That allows people actually using the equipment to compare and test them, to drop them to see what happens, and give their opinions."

After careful evaluation and weighting of selection criteria, Hershey chose LXE VX6 vehicle-mounted computers with brilliant 1/2 screen displays, along with LXE MX6 handhelds.

"Durability, dependability and ease of configuration" were among the chief selection criteria, according to Rupert. The computers need to stand up to the demanding conditions of the plants and warehouses, including vibration from the movement of the forklift vehicles, infiltration from environmental factors and the drops and bangs incurred by handhelds. It was

also important that the products be early in their development life cycles.

"LXE's product comfort and ergonomics were impressive," says Rupert. "The vehicle-mount computer's screen brightness was a great feature for our environment, and the epoxy-coated keys make an incredible impression. The other units had flat panel touch buttons, not raised keys. LXE's product has an actual keyboard and its backlit, so you can see and feel the keys even while loading product into a dimly-lit truck."

The articulated arm mount available for the VX6 also fit Hershey's ergonomic needs well. "You may have a tall associate on one shift and a small associate on the next," says Rupert. "So for the second shift, the user can change the screen location in less than 30 seconds. It's a nice feature."

"Product design and engineering were key factors in our client's decision matrix. During the Corporate Presentation, LXE displayed an opened device to demonstrate product durability. It was an important factor in Hershey's decision making process," says Gil Rodriguez of ACSIS, which facilitated Hershey's equipment specification and selection process.

What's Inside - and Behind

Hardware features were not the only selection criteria. The quality, length and geographic reach of LXE's support network were also evaluated. "The fact that they reach into Canada and Mexico, where we have plants, gives us the ability to get local service," Rupert notes. A strong warranty was also an important criterion.



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"The ability to tap into the latest Cisco security protocols via the computers for Hershey's 802.11b wireless networks was also a big plus, alleviating an issue of concern as the company moved from a proprietary to an industry standard wireless LAN," Rupert says. "Pricing was very competitive, and Hershey liked the option to use Windows for future applications, though we currently run terminal emulation with the existing host application," Rupert adds.

From the network support perspective, Micah Cox, Senior Infrastructure Analyst commented, "LXE vehicle-mounted computers and handheld units were selected in part due to their support for current wireless standards. Hershey leveraged the enterprise capabilities of Cisco access points to create a reusable wireless infrastructure. This flexible architecture allows Hershey to share the same infrastructure investment among differing business solutions. In addition, LXE's VMCs selected by Hershey use Cisco technology to report additional radio statistics as the client moves about the facility. This gives Hershey more flexibility in monitoring the wireless network."

The plant rollout, which included the installation of several hundred of the MX6 and VX6 computer styles, began in spring 2005, with 10 plants completed that year and the remainder completed in spring 2006.

Immediate Results

Scanning errors related to equipment issues have been greatly reduced, and the time no longer spent on error correction boosts productivity. "The computers do what they are supposed to do. The accuracy of inventory movement is great - you don't have to wonder whether the product was or was not shipped," Rupert says.

"We put the information and plans together and started explaining to plants the benefits they would see," Rupert recalls. "There is always skepticism - they've dealt with problem equipment and they didn't expect any better this time. But recently I talked to the first plant, which went live in June, and they stated 'everything that was promised has been delivered'."

Plant personnel communicate with other plant managers in The Hershey Company. As a result, one plant slated for 2006 implementation had asked to be moved up the queue in order to enjoy these benefits sooner, Rupert reports. Once those plants were completed, Hershey decided to use the LXE Windows-based computers for a line performance reporting application in their production areas, as well.

"LXE and Hershey have developed a very good business relationship," Rupert says. "When a problem arises the team works to iron it out. LXE's exceptional response has been key for me as a project manager - the fact that we rolled out 10 plants in under six months shows that. They've got the equipment, the supply chain, and the resources to support us and do it right."



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.