

# Pouring Integrity into Asset Management



Managing four warehouses to deliver beverages across 38 Texas counties, Andrews Distributing is one of the most well-respected beer distributors in the nation. With a team upwards of 1,500 members and over 700 brands in their portfolio, the Texas-based distributor undertakes a massive responsibility in their daily operations. However, the risks associated with

such large-scale business can prove detrimental when there is low visibility on field operations. To alleviate these problems, Andrews trusted EasyCheck to surveil activity, track their assets, and collect data on their operations in real-time. By mitigating tangible risks, EasyCheck became Andrews's eyes on the field.

#### **The Problem**

As is often the case within the alcohol distribution industry, lack of field visibility can lead to exasperating fines

and glaring losses. Within this highly regulated trade, the Texas Alcoholic Beverage Commission (TABC) and the Alcohol and Tobacco Tax and Trade Bureau (TTB) oversee a complex and diverse regulatory code, which without oversight may result in significant fines and risks to operational licenses to distributors. Businesses, such as Andrews, take precautions to the best of their ability to ensure compliance, avoid fines and other penalties. Traditionally, these measures are taken through the tedious collection of pen and paper files, but the cumbersome nature of this method often results in misplaced details, which could induce a hefty fine.

While managing large quantities of field employees, it can be difficult to prevent illicit or inadequate activity. Whether caused by misinformation or malice, these humanistic mistakes can also induce fines; moreover, it can lead to the loss of expensive assets and non-productive man hours.



Last year alone, Andrews reported \$3.7 million in tap handles missing. Although to an outsider tap handles might seem a lackluster item, this loss is a biting figure when one considers that the average cost for a handle is \$235. Keep in mind; tap handles are just one type of item in a large catalog of marketing supplies with similar losses. You can do the math and begin to understand why Andrews, like so many other distributors, knew that it had a problem.

When asked how much money is budgeted for losses per year, Jimmy Dean Pritchard, Point of Sale Operations Manager at Andrews, reacted "It's easily seven figures for sure." This statement illustrates an industry wide problem, which stems from a lack of field visibility.

#### When asked how much was budgeted for loss of assets,

#### "It's easily seven figures."



- Jimmy Pritchard, Point of Sale Operations Manager

#### **The Solution**



Although the problems mentioned above have troubled the industry since its earliest days (after the prohibition), by partnering with EasyCheck, Andrews was able to seamlessly ensure compliance with TABC and TTB regulations by overseeing proper task completion, prevent loss by tracking their assets, as well as gather accurate and relevant data in real-time.

Last May, Andrews installed some pool table lights advertising "Coors Light" at Big Shots, a bar in Bedford Texas. While inspecting the sports bar, a TABC officer attempted to fine Andrews for gifting these lights to the venue, which would be illegal. However, by using EasyCheck's signature capture tool upon installation, Andrews was able to prove that, despite their remote placement, these pool table lights were indeed Andrews property. Thus, the beer distributor was able to avoid a \$50,000 fine. This rebuttal is just one small example of the many instances when EasyCheck aided Andrews with their compliance management.

EasyCheck tracks Andrews's assets while collecting data on task assignments, so lost or stolen items become apparent as soon as they go missing. Since the inception of their partnership with EasyCheck, Andrews has caught three employees stealing their expensive marketing assets and responded accordingly. By leveraging EasyCheck's asset tracking capabilities, Andrews saves the budgeted seven-figure number through loss prevention. As Donald Bruce, VP of Point of Purchase Marketing, put it simply, "I no longer just know that it left the warehouse, now I have visual proof that it got to the store."

Finally, EasyCheck's data collection helps management make informed decisions. As the intermediary in Beverage Alcohol's three-tiered system, Andrews orders various assets from manufacturers. These assets (chairs, glasses, coolers, etc.) are then distributed to retailers. However, the previously slow and murky data collection methods proved ineffective in understanding the actual utilization of these assets. For example, driven by city spirit, management previously ordered 877 of Dallas Cowboys beer racks; nevertheless, EasyCheck's data showed that of these racks only 132 were actually used. As such, the distributor cut the Cowboys beer rack inventory by 80%. Through this better understanding of their utilization rates, Andrews is now able to make smarter decisions when purchasing materials.



## **Easycheck adds integrity** to the process. 99

- Donald Bruce, VP of Point of Purchase Marketing

### Conclusion

Having worked around the lack of visibility for decades, Andrews Distributing understood that it had a frustrating problem. Determined to alleviate this issue, the Texas-based company partnered with EasyCheck to ensure proper execution throughout their operations and gather important data.

By using EasyCheck's capabilities in their business, the distributor is able to efficiently prove compliance with regulation, prevent meaningless loss of expensive assets, and make informed decisions based on accurate data. Within a few smartphone clicks, Andrews was able to obtain reliable eyes on the field.

To summarize EasyCheck's effect on Andrews, Donald Bruce stated, "EasyCheck adds integrity to the process." Evidently, EasyCheck helps Andrews better fulfill their mission by closely adhering to their centermost company value.

