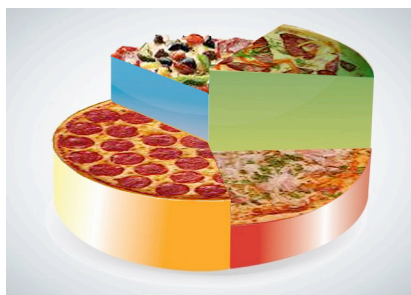




Bernatello's Grows Again With a More Dynamic Solution and Help From a Trusted Partner



Founded in 1981, Bernatello's Pizza, Inc. got its start as a local tavern selling pizzas to area patrons. As its popularity increased, they began selling branded pizzas to local retail establishments. In '82, the tavern was sold and a manufacturing plant was started with a manual production line of eight employees applying ingredients by hand. Making 500 pizzas was considered a good day. As demand grew so did their production, distribution, and product lines. Today, the small family business has grown into an industry success story producing up to 165,000 pizzas per day and running more than 45 delivery routes, in addition to normal distribution sales. Bernatello's Pizza has two manufacturing plants and numerous frozen warehouse locations.



Bernatello's Gets a Bigger Piece of the Pie, Again!

As a family business, flexibility and superior service for their customers has always been a top priority for Bernatello's. Naturally, flexibility can create many business challenges and needs. In addition, as both a manufacturer and a multi-layer distributor, their software system requirements are uniquely challenging and complex. For some time, Bernatello's had been operating on a highly customized system that was sufficiently meeting these complex needs. Unfortunately, the developer was eliminating this software platform and Bernatello's wanted to make the move to a program that would be a better long-term fit. Thankfully, they knew right where to turn.

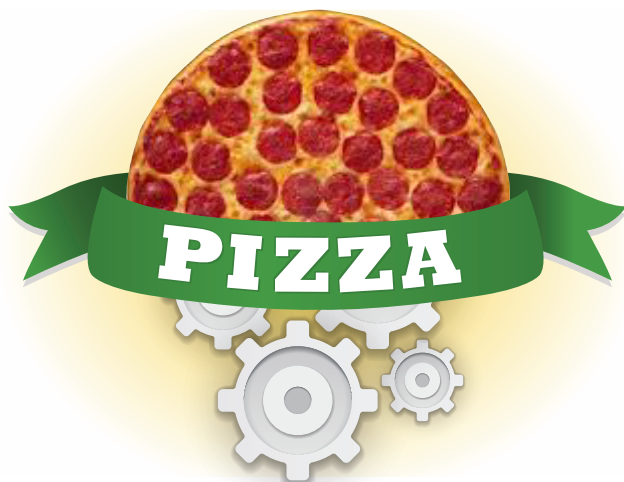
Bernatello's had partnered with Business Automation Specialists of MN, Inc., on their last system implementation, and knew that BASM had the expertise necessary to recommend and complete a comprehensive software installation. Together with BASM, it was determined to move Bernatello's to a completely new accounting software package, Microsoft Dynamics NAV.

“*There is no doubt that this was a huge task and BASM came through and supported the project to the end.*”

Duane Ebert
Controller at Bernatello's

A Challenging Mix of Business Ingredients

BASM's first challenge in moving Bernatello's to their new system was to reduce the amount of modification needed in their new NAV system, while maintaining at least the same functionality as the old system; and, in some cases, providing more functionality. These modifications in the old system provided for many automated processes which allowed Bernatello's to produce substantial product volume with low staff count; a critical component to keeping profit margins while also keeping prices competitive.



Additionally, Bernatello's has a unique order, delivery and inventory process. Product is sold by 60 salesmen or route drivers. The route drivers are also responsible for deliveries, invoicing on the

spot, entering future orders, and occasionally even collecting payment on invoices and setting up new store accounts. All of this information is uploaded to the main system for invoicing, accounts payable, and warehouse management.

Since each driver has their own truck and inventory, the trucks are in essence mini warehouses. When added to the main warehouse, remote storage freezers, and third party warehouses, distribution logistics become very challenging.

As BASM was working through the challenges, and the go-live date drew near, Bernatello's purchased another manufacturing company. This resulted in unexpected business growth, created significant demands on internal resources, and caused changes to business processes - all in the middle of the implementation.

Despite the uniquely complex and challenging set of circumstances, BASM was able to adjust to meet the needs of this larger, now even more complex company and successfully complete the implementation. Duane Ebert, Controller at Bernatello's reflects, "There is no doubt that this was a huge task and BASM came through and supported the project to the end."

A Winning Combination

With the new NAV system in place, Bernatello's was pleased to find several areas of improved functionality, one of which was in stock delivery and inventory accuracy. For example, in the previous system route drivers had been using hand held computers that required a landline for data-synchronization with their corporate systems.

As such, it was very difficult to keep inventory accurate between the two systems. With Microsoft Dynamics NAV, Bernatello's is utilizing cellular technology that provides data synchronization from almost anywhere, at any time. The new system enables Bernatello's route drivers to have accurate inventory, capture customer signature at the time

of delivery, and consistently import inventory cycle count data from the route into their ERP system. The result is better inventory accuracy between route sales and the main warehouse, not to mention improved real time stock level data access for the inventory manager.

Another area of Bernatello's business that benefited from the new system is in reporting. Naturally, with a company as large as they are, one could expect the financial and management reports to be complex. Management was thrilled to find numerous improved reporting features available in Microsoft Dynamics NAV Jet Reports. It not only enabled them to get the kinds of reports they needed to see, but it allowed them to combine data from their old system with NAV data – enabling comprehensive reporting without the added expense of a full history import. With all of the required data included, they can get a big picture view of their business, whenever they need it, and still drill down to the transaction level detail if necessary.

The Microsoft Dynamics NAV system provides for shared pricing data between route systems and corporate ERP, allowing corporate control

of minimum margins; office managed pricing for larger customers; and even gives route salespeople the flexibility to price products on-site for their customers. This is critically important in the competitive pizza market. The accuracy between the systems, and tighter controls into inventory on the delivery trucks, will have long-term, significant benefits for Bernatello's.

Although the scope and complexity of the project expanded in the midst of the implementation, BASM went the extra mile to ensure the project had a successful outcome, and provided Bernatello's with more functionality than originally planned. The best part is, as Bernatello's continues to grow, their new system has laid the foundation for numerous growth options from: support for automatic picking information for a managed 3rd Party Logistics warehouse; support for manufacturing cost differences between multiple locations; and the ability to keep track of the transferring of product to routes from multiple warehouses. Thanks to the expertise and support of their trusted business advisors at BASM, Bernatello's is confident they have the right system in place, laying the foundation for the future of their growing business.

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