



Total Quality Management (TQM) / Good Manufacturing Practices (GMP) Empowered by FreshLoc

Situation

A large produce distributor servicing national brand food service and retail grocery was recovering from a business down-cycle and needed to reinvigorate sales while cutting operating costs. FreshLoc was seen as technology that could raise productivity, cut costs and create a perceived point-of-difference in terms of quality product.

Freshloc Application

FreshLoc began by installing wireless temperature sensors in each of the company's coolers, freezers, preparation rooms, ripening rooms and dry storage. In addition to the temperature sensors the ripening rooms and dry storage were also outfitted with humidity sensors. Additional sensors were added to the input and output of chilled wash water on production lines. Additionally, twenty-five local trucks were outfitted with the wireless system. All told, nearly 100,000 square feet of refrigerated space, a fleet of 22 trucks and a two-acre parking lot (used for temporary trailer storage) were covered by FreshLoc.

Alerts for quality were provided on a daily report while safety alerts were set to page operations personnel whenever an area or truck entered a temperature danger zone. Maintenance alerts were sent directly to the appropriate personnel.

The company's maintenance subcontractor partnered with FreshLoc in the process to receive key equipment operating and maintenance information over a dedicated website.

Results

After less than a year of operation, return-on-investment has exceeded a factor of three times investment. The FreshLoc system has reduced shrink, redirected labor tasks and resulted in a 20% reduction in the cost of the customer's maintenance contract.

The unexpected benefit came in the form of not only avoiding loss of product on trucks but also saving tremendous amounts of diesel fuel.

Bringing the internal temperature down on twenty-five trucks from 160 degrees during a hot summer uses a lot of diesel fuel. By actually watching the cool-downs in real-time trucks can be staged as soon as they are ready. This has resulted in significant fuel savings and, by trending the refrigeration performance records of the trucks, maintenance can be managed more efficiently. By one account, substantiated by independent surveys, a fleet using FreshLoc will save more than \$250,000 this year (slightly less than \$1,000 per truck).

Finally, the distributor's customer base is growing through their use of FreshLoc as a marketing tool. Their customers have a new quality assurance technique unlike any other provider.