



Delaware North Companies: Southland Park Gaming and Racing

Southland Park Gaming and Racing Automates to the Finish Line

Southland Park Gaming and Racing, an entity of Delaware North Companies, is an impressive entertainment destination for gaming and greyhound racing for over 50 years. Southland Park boasts over 1,500 gaming machines, restaurants, bars, concession stands and a race track in West Memphis, Arkansas, and is one of many casino and gaming locations owned by Delaware North Companies. The company, Delaware North, is a global leader in hospitality management and food service and operates in the lodging, sporting, airport, gaming and entertainment industries.



The Decision: Moving to Automation

In 2012, Delaware North decided to start exploring options to take their manual purchasing, accounting, inventory and food system processes and automate them. Using an outside consulting firm, Delaware North started exploring their options for vendors, but made one thing clear – they wanted one vendor and one architecture design. In 2013, they selected BirchStreet Systems, based on the company's expertise, functionality and its single, cloud-based platform under one roof.

Changing Old Ways

Southland Park operated with manual processes

throughout their operations. They “lived and died by the Excel spreadsheet.” Management knew that functions like ordering supplies, creating and tracking purchase orders, paying invoices, calculating and projecting inventory, centralizing recipes and processes, for example, could all be made more efficient and save the company money.

Corporate management's goal was to be able to see and track spend data. They wanted to increase visibility and transparency in the organization. And, management also knew that there was an opportunity to save money by taking advantage of supplier programs and rebates with faster payments and the ability to track spend.

On December 3, 2013, BirchStreet's procure-to-pay platform rolled out in stages, with eProcurement first, then AP Automation, Inventory Control and Recipe Management System modules. Immediately, centralizing purchasing and accounting brought tremendous time savings and efficiency. “The AP Clerk loves the invoice feature in the 3-way auto-matching functionality,” stated Amanda Burchett, Senior Accountant II, who helped lead the implementation along with Julie Jaco, Purchasing Manager.

“We are thrilled about the way the system automatically sends purchase orders to vendors. Before, we had to manually call in orders,” stated Julie Jaco. According to users, one of the best features Southland Park found were the use of Punch-out suppliers within the eProcurement for purchasing. Most of Southland Park's suppliers utilize punch-outs, which are integrated and give

access to buyers through BirchStreet so the buyers can use a supplier's website to purchase goods and the information is kept and tracked within the system.

The gaming industry has tight regulations and must answer to state agencies as well as to the Gaming Board. The BirchStreet platform captures all spend data and allows for tracking, exceptions and reporting, which is crucial for casino and gaming regulations. In addition, Southland Park is a unique gaming arena due the large amount of points of sale and inventory outlets.



Results

Stephen Eden, Director, Culinary and Hospitality Council at Delaware North is thrilled with the results. One important reason for the success is that the entire organization embraced the BirchStreet solution. Eden set up KPIs (key performance indicators) specific to Southland Park for the different modules to track the results of the new system. Key findings for soft savings are noted below:

- BirchStreet AP 3-Way Auto-Match increased efficiency and accuracy in the payment process. Manual purchase orders have been reduced to 5 per month.
- Inventory Control module reduced the margin of error in keying and calculation process and inventory item costs are automatically calculated and updated. Variance reports for inventory have helped to keep supplies on track.
- Tracking transferred food and beverage products now save 3 hours in labor savings

daily. The previous manual process has diminished by 90%.

- Inventory visibility now allows for product par levels to be managed within the system along with a revised warehouse set up. Perpetual inventory counts are now possible.
- Using eProcurement, vendor management has improved due to the capability to track purchase orders.
- Accounts Payable/Procurement month end close has reduced closing time by 2 days for the entire property.
- The Purchasing Manager has reduced the time to order with the ability to obtain bids and RFQs from vendors using an automated process.
- Executive Chef and Purchasing Manager are able to react faster to food cost fluctuations and adjust menus accordingly with Menu Engineering in the BirchStreet Recipe Management System.

“We immediately saw that the soft savings – time and efficiency – involved with using BirchStreet have met and exceeded our expectations. We are anticipating getting hard cost savings within the next month,” said Stephen Eden. “Our operations and business processes have significantly improved by using the BirchStreet platform.”

Amanda Burchett explained, “The AP process is now centralized and the entire process is smoother and more efficient. The software does most of the work for us!”

“Simply knowing the true cost of goods is invaluable to us and helps us make accurate, insightful business decisions,” stated Julie Jaco in reference to the purchasing department.

Conclusion

The implementation at Southland Park has been successful in the eyes of Delaware North and BirchStreet. In fact, TD Garden in Boston, home of the NHL Boston Bruins and NBA Celtics and a Delaware North owned entity, is rolling out next. Whether it's gaming, racing or stadium operations, BirchStreet's procure-to-pay solution has made it to the finish line.