



## SMITH DAIRY PRODUCTS CO.

### Smith Dairy Drives Down Costs With Integrated Document Management

More than 3,500 customers get regular deliveries of quality dairy products from Smith Dairy Products Co. (Orrville, OH), which produces brands such as Ruggles® premium ice cream and Moovers® individual serving size milk products. Ranging in size from mom-and-pop stores to supermarket chains, these customers are spread across Pennsylvania, West Virginia, Ohio, Indiana, Kentucky and Michigan. Delivery drivers return to the company headquarters with approximately 1,200 signed delivery receipts daily, which are sometimes associated with other correspondence and supporting documentation. As a production facility, Smith Dairy also processes countless supplier invoices.

Prior to implementing a document management solution, the AP and AR departments maintained 6 to 9 months of filed documents in their offices. Aging files were packed in boxes and stored in the basement. If a customer called about an invoice from Smith Dairy, one of the associates would have to track down the delivery ticket, which was filed by route number. "It was always a hassle to send someone down to the basement to search for delivery tickets, an action that might have to be taken several times a day," says Dan Brimm, office operations manager at Smith Dairy. "If a document was misfiled, the whole system was worthless."

### OnBase Delivers Integration Capability, Scalability

Brimm and his colleagues realized that document management would reduce the amount of time spent filing and searching for documents. The costs of maintaining paper file folders, boxes and labels was

also significant, as was the space wasted in storing them at a bustling business office. Criteria for an acceptable solution included integration capability, third-party support, and scalability. Brimm mentioned his search to a business acquaintance who recommended integrator Hudson James Incorporated (Medina, OH). As a certified reseller of OnBase document management software, Hudson James introduced Smith Dairy to this modular solution from Hyland Software, Inc.

Hudson James helped Smith Dairy design a solution in which invoices, delivery receipts, and other documents are scanned in the AR department using two Fujitsu M4097D scanners. An increasing amount of the indexing is being automated by using the barcode reading capabilities to populate the OnBase index fields. By integrating the OnBase Host Enabler module, the system allows customer service associates to access supporting documents by clicking a link on an IBM AS 400 mainframe screen.

Originally purchased for document retrieval, OnBase has grown to encompass other processes such as COLD and workflow. For instance, day-end and week-end blue bar reports that had been printed and distributed to employees at any of the six Smith Dairy locations are now compiled and distributed via e-mail. Smith Dairy recently placed an order for the OnBase E-Form module, which will initially be used for processes such as customer credits and new account activations and possibly expanded to processes involving product information and nutritional packaging. Automated workflows are also being designed for these processes. "It's been almost two years since we implemented OnBase," notes Brimm. "Every year we've added something that increases our efficiency incrementally."

#### AT A GLANCE

With more than 3,500 customers in a six-state region, Smith Dairy Products Co. was struggling with labor and physical storage costs associated with paper-based processes. Since implementing OnBase integrated document imaging to address this problem, Smith Dairy has also realized unanticipated benefits in reporting and auditing and continues to achieve incremental productivity gains with easily integrated enhancements.

#### BENEFITS

- Reduced labor and other costs associated with physical storage
- Improved customer service
- Eliminated cost of day-end and week-end report distribution
- Visibility into system performance
- Enhanced auditing capabilities

#### APPLICATIONS

- AP
- AR

#### ONBASE SOFTWARE

- COLD/ERM
- Document Imaging
- Host Enabler

#### COMPLEMENTARY PRODUCT INTEGRATIONS

- Fujitsu M4097 document scanners
- IBM AS 400

### **A Smooth Road to Cost Savings, Improved Customer Service**

Brimm admits that he had underestimated the return Smith Dairy would gain from using OnBase. "We were looking at the hard dollar savings of decreasing labor for filing and retrieval and supplies for storage of physical documents, and that has been significant," he comments. "There are many other things we didn't even include because we didn't understand what the system could do for us." Customer service is enhanced by immediate document retrieval as well as the ability to fax documents right from the desktop.

Prior to implementing the solution, paper documents had to be transported from a production facility in Indiana to Smith Dairy's Ohio headquarters. Now documents are scanned at the Indiana facility and transmitted to Ohio via a T-1 line. Management can use the solution to audit overall system performance.

"During our annual audit, we pulled all the invoice images from OnBase and burned them to a CD which we handed to the auditors," says Brimm. "There wasn't one request to pull a paper document. This year we've made a decision that no more AP documents will go to the basement. Though some paper documents may be stored, most won't be kept longer than three months."

The transition from paper to OnBase was surprisingly smooth as well, observes Brimm. "I'm sure some associates were uneasy at first, but the first time they were able to retrieve the document they needed by double clicking on the AS 400 screen, they were able to see the value it had to their jobs. Our goal was never to get rid of associates, but to let them know they are valued by enabling them to do more productive and valuable tasks. I wouldn't dare take OnBase away from them now."



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