'Goin' Mobile' no longer just a song by The Who

Is it time for operators to leverage point-of-sale-system investments and give handheld POS, wireless printers and mobile credit card readers a try?

Some Nation's Restaurant News' readers will spot elsewhere in this section NRN's second article in the past two months on such devices. One might think that mobile mania has taken hold.

It hasn't. But examples of uses for handheld POS terminals and related peripherals are on the rise as nearly all major POS brands now offer some sort of mobile configuration.

That development means thoughtful operators should spend some time studying their dining rooms, front counters or drive-thru operations to determine whether handheld devices might enhance service, boost throughput or improve working conditions. Operators then should crunch the numbers to see if investments in such tools make sense.

Some examples of costs follow below, and others were cited in NRN coverage of handhelds April 11.

ON TECHNOLOGY

Alan J. Liddle

Depending on the application or an operator's return-on-investment criteria, a cost-benefit analysis of handhelds won't always yield a green light.

"We tried handheld POS, but we couldn't justify it at about $2,000 per store," Damon's International Inc. chief executive Shannon Foust said. Columbus, Ohio-based Damon's operates about 30 Damon's Grill casual-dining restaurants and franchises another 90 or so to others.

Foust said terminals running a leading POS brand's software were tested for use by employees dealing with curbside-takeout customers. In the end, he said, he could not reconcile the cost of the handhelds with any real or perceived improvements to curbside operations, though that service has boosted overall sales by 4 percent at test locations.

Applebee's International Inc., too, currently is refraining from the use of handheld POS in its casual-dining chain's Carside To Go takeout program and instead favors wireless credit card terminals. (See related article.)

However, operators' interest in new-generation POS technology, which is more likely to support wireless devices, is evident.

IHL Consulting Group's annual "North American Hospitality Point-of-Sale Terminals Market Study" reported an 11-percent annual unit growth and $2.9 billion in spending for conventional terminals, software and services in 2004. "Our research indicates that every segment of the hospitality industry will increase its POS purchases in 2005 over 2004," IHL president Greg Busek noted.

And a recent survey by the University of Nevada, Las Vegas, University of Delaware and Hospitality Technology magazine found that 65 percent of respondents plan to replace or upgrade POS systems within the next four years.

Andre Nataf of Menusoft Systems Corp. of Springfield, Va., maker of Digital Dining POS systems, estimated that 15 percent of all new DD installations utilize handheld terminals. While some of those sites use handhelds for inventory management or other functions, "over 500 sites using Digital Dining with handhelds for ordering," he added.

Nataf said the cost of handheld systems — above the company's normal POS software licensing fee — can range from $700 to $1,250 per terminal for the hardware, long-life battery, charger and case. Beyond that, he indicated, a restaurant also needs a wireless access point and Microsoft Terminal Server software — elements with an approximate combined cost of $1,000.

Eric Gensheimer represents Commerciant LP, maker of the MobileScape wireless credit card terminal being rolled out by Applebee's. When one considers all expenses, including cellular overhead and maintenance, the cost to operators for deploying MobileScape "in effect" is "under $100 per month per store" for "one or two" terminals, he said.

Though volume discounts and other considerations likely would apply to many users, the manufacturer's suggested retail price for Epson's new Mobilink wireless printer — a practical component in some handheld-terminal setups — runs $999 per unit. That price includes WiFi 802.11b wireless networking capability, battery and belt clip, but chargers are extra.

NEWS DIGEST

Flying Star Cafe chain decides it's 'CrunchTime!'

ALBUQUERQUE, N.M. — Five-unit Flying Star Cafe and Satellite Coffee, based here, has chosen to use CrunchTime! Information Systems' Enterprise Manager and Net-Chef software, the vendor said.

According to sources at Boston-based CrunchTime!, Flying Star Cafe and Satellite Coffee will use the fully integrated back-office software suite to centralize management of its cafes, coffeehouses, production commissaries and warehouse. The software, CrunchTime! said, covers purchasing, production and inventory management.

Flying Star Cafe vice president of operations Clint Eatherton said CrunchTime!'s "product depth and flexibility" appealed to his company because "the diverse challenges" of catering to multiple brands and concepts "are not often addressed by an end-to-end back-office solution."

DNC buys Tibersoft purchasing expertise

BUFFALO, N.Y. — Delaware North Cos., based here, has enlisted Tibersoft Corp.'s IQ cost-control technology to bolster supply chain performance for the $1.6-billion-a-year contract foodservice management conglomerate.

DNC "has placed an incredibly high value on an integrated and linked supply management system," explained Mike Reinert, the company's director of supply management services. "We were impressed with Tibersoft's capabilities, including enhanced data and analytical services, and we look forward to completing the setup of its programs."

Representatives of Tibersoft, which is based in Westborough, Mass., said the company's systems and expertise help operators acquire, clean, analyze, share and apply purchasing information to gain better control of supply costs.

Hardee's orders up Instill purchasing aids

ST. LOUIS — Quick-service operator and franchisor Hardee's Food Systems Inc., seeking help in managing food costs over multiple regions, named Instill Corp. a supply chain technology provider.

"Instill's Purchase Insight solution enables us to more effectively audit supplier contract compliance," said John Dunion, executive vice president of supply chain management for 2,034-unit Hardee's, based here.

Officials of Redwood City, Calif.-based Instill said the company's technology standardizes and analyzes product and price information reported by distributors to identify transactional cost savings by spotting contract price variances. They said the information generated by the system also could be used to recognize additional savings in areas such as SKU rationalization and supplier consolidation.

Caribou Coffee taps Unicru for HR assistance

MINNEAPOLIS — Saying its 306-unit coffeehouse system wants to better meet future human-resources challenges, Caribou Coffee Co., based here, selected Unicru technologies and services to help recruit and retain hourly employees.

Competition for hourly employees "isn't solely among our restaurant brethren" but also involves "the entire service sector," Caribou's director of recruiting, Jenny Sopsic, said. Explaining why her company hired Unicru, she added, "We wanted a proven method of catering to grocers, retail and restaurants alike that will standardize our screening and 'onboarding' procedures."

Portland-based Unicru uses computer-based, in-restaurant devices and the Internet to help companies apply consistency to best-hiring practices across an enterprise and reduce the time unit managers spend on the hiring process. The company said its technologies and expertise touch on recruitment, tax credit eligibility checks, time-and-attendance tracking, payroll interfaces, closed-loop reporting and human-resources analytics.

Landry's adopts Radiant's Aloha systems

HOUSTON — Landry's Restaurants Inc., with more than 300 casual-dining restaurants in 36 states, is deploying Aloha Inventory and Aloha eServices system in all its outlets, according to Aloha parent Radiant Systems Inc.

Landry's operates such chains as Landry's Seafood House, Joe's Crab Shack, Rainforest Cafe, The Chart House and Saltgrass Steak House.

Aloha eServices' eFrequency component enables restaurateurs to track vital customer data and create loyalty programs, and its Enterprise module supports centralized reporting, representatives of Alpharetta, Ga.-based Radiant indicated.

Lori Kittle, Landry's vice president of information technology, said her company's adoption of the Aloha services, on top of its use of the vendor's point-of-sale software, would "enable our existing and ongoing business plans."

Darden expands use of QSR Automation tools

ORLANDO, FLA. — Darden Restaurants Inc., Orlando-based parent of the Red Lobster, Olive Garden, Bahama Breeze and Smokey Bones Barbecue & Grill chains, is expanding its use of kitchen video display systems and order-management software from QSR Automations Inc., the vendor said.

Darden, with more than 1,300 restaurants, previously used QSR Automations' ePic Kitchen Management Solution system at its 98-plus-unit Smokey Bones division. The ePic system features kitchen display software, video controllers and specialized keyboards.

Sources at Louisville, Ky.-based QSR Automations said Darden would make available to its other divisions the video technology and other systems that would ensure a future path to multimedia capabilities as well as graphical kitchen software.

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