OPS | 21

TOMORROW'S OPERATIONS —— FOR TODAY'S MANUFACTURERS

white coffee®
established 1939

CASE STUDY - WHITE COFFEE CORPORATION

About:
White Coffee is a wholesale coffee importer, roaster, and distributor, which purchases and blends high-end coffees for the high-end food service and retail trades throughout NYC and the US.

Employees:
105

Website:
www.whitecoffee.com

Location:
Long Island City, Queens, NY

KEY IMPACTS

300%
INCREASE IN DATA STORAGE, 125% INCREASE IN DATA PROCESSING SPEED

19-37%
REDUCTION IN INVENTORY

$77K
REDUCTION IN MONTHLY ESTIMATED OPERATING COSTS

NYC/EDC fw itac

WHITE COFFEE'S OPS21 GRANT SUPPORTED THE UPGRADE OF THEIR IT SYSTEM INFRASTRUCTURE, HARDWARE AND SOFTWARE. THESE UPDATES ENABLED THEM TO INCREASE THEIR NETWORK SPEED AND SERVER MEMORY, AND TO CAPITILIZE ON EXPANDED CAPABILITIES RESULTING FROM SOFTWARE NOW UPGRADED TO MEET INDUSTRY STANDARDS. OVERALL, WHITE COFFEE'S OPERATIONAL COSTS WERE SUBSTANTIALLY REDUCED AS A RESULT.

GRANT TECHNOLOGY AREA: Digital Manufacturing

CHALLENGE / OPPORTUNITY

Prior to embarking on this project, White Coffee faced various operational challenges as result of a near obsolete IT system infrastructure. Specifically, there were challenges with limited system memory and system speed, which caused, respectively, a loss of critical data and company-wide delays in retrieving and inputting data. In addition, aging software could no longer be updated incrementally, which restricted White Coffee's ability to leverage technology that would help their company to grow. Overall, White Coffee risked potential catastrophic system failure, in the event of a loss of functionality, without ease of upgrade.

SOLUTION

White Coffee installed new system infrastructure (cabling, switches, routers, and servers) which has increased the speed and capacity of their entire network. In addition, this hardware has allowed them to install up-to-date software (e.g. ERP, manufacturing, customer service, web server, and roasting software), which can be incrementally updated for many years to come.

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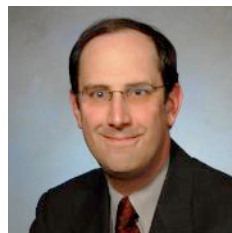
The OPS21 grant was an essential component of our IT infrastructure overhaul. Upgrading our system was a business-critical task, and the grant funds were a great assistance in helping us reach our goals. Our upgrade is fully functional and already achieving significant hard and soft cost savings.

Jonathan White, EVP, White Coffee Corporation

RESULTS & INSIGHTS

COST SAVINGS

- Reduced operating costs by an estimated $77K per month.

- Improved inventory management reducing finished goods and WIP inventory by 19% and 37%, respectively; as a result, the need for warehouse space reduced by ~12%.

- Reduced operating and labor costs estimated to result in ~2-3% reduction in COGS.

INCREASED EFFICIENCY

- Increased server memory – 300% more space for data storage.

- Expanded network speed – estimated 125% faster input/retrieval of data; far reaching impacts across the entire business (accounting transactions/ reporting, purchasing, inventory management, roasting, distribution, etc.).

- Increased efficiency lowered the need for overtime by 85% and increased machine utilization.

INCREASED SALES

- Estimated 10-15% increase in sales due to new features and capabilities from updates to the customer ordering portal and web server.

- Decreased short shipments by 32%, improving customer satisfaction and representing an increase in on-time sales of 20% year-over-year.
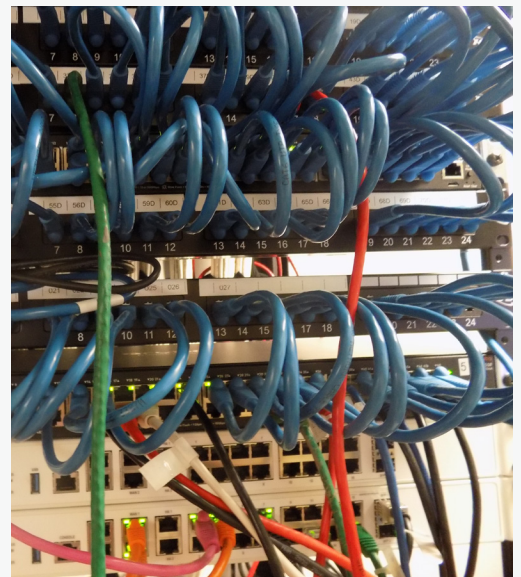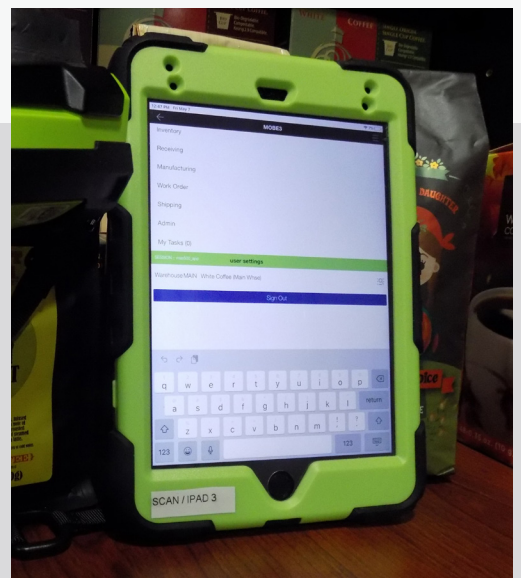
IMPROVED COMPETITIVENESS

- Rolled out new "route sales" functionality, allowing same day order and delivery capabilities, which not only reduces distribution costs but also increases customer satisfaction at no cost to White Coffee.

New Server

New Switch

Warehouse Tablets

OPS21 PROGRAM OVERVIEW

Ops21 is a multi-faceted program designed to help NYC manufacturers learn about and adopt advanced technologies, specifically advanced materials, robotics, and digital manufacturing. It is part of the greater Futureworks NYC initiative, which aims to help manufacturers embrace advanced technologies and increase local production.

Ops21 Grant funds are generously provided via the Futureworks NYC Ops21 program, which is funded by the New York City Economic Development Corporation (NYCEDC) and led by the New York City Industrial and Technology Assistance Corporation (ITAC).