

# LTA-350 CASE STUDY

## CASE STUDY

**CLIENT:** Piggly Wiggly Sanford

**TECHNOLOGY ADOPTION:** 2017

**PROJECT:** LTA350 recycler

On September 6, 1916, hundreds of shoppers came out for the opening of a new grocery store in Memphis, TN. For the first time, Piggly Wiggly let customers do something they'd never done before: select products themselves and pay for them at check-out lanes. Fast forward to 2017, as a Piggly Wiggly in Sanford, NC let their customer service cashiers do something no cashier had done before: use a cash recycler to automate cash handling for check cashing, bill payment, money orders, and till cash. And again the results were both ground-breaking and profitable.

Greg and Nancy Adams, the local owners of the Sanford, NC Piggly Wiggly, take great pride in their store. Greg likes to tell everyone, "we have a great meat department," and they do. Customers enjoy not only great meat, but also great service at the Adams' store. In fact, many now use the customer service area specifically to meet their banking needs. This is in part driven by a significant population of "unbanked" in their community; those who do not have a relationship with a particular financial institution but still require banking services.

As banks increased cash deposit fees for their store, Greg and Nancy saw check cashing, bill payment, Western Union, and money order services as an opportunity to both eliminate the need to deposit cash and add revenue from financial transaction fees. Their instincts were right, and offering expanded services completely eliminated the store's bank cash deposit fees, increased foot traffic, and significantly added to their bottom line. Funding up to a thousand transactions daily however, required large amounts of cash, and handling all that cash resulted in balancing, security, and safety issues. Their process was subject to human error and was cumbersome; requiring cash counting multiple times a day. Ultimately, managing the cash detracted from their ability to provide optimal service for customers. Greg and Nancy decided there had to be a better way and researched how to improve their cash operations.

Their research led them to consider using cash recycler machines, and after exploring the alternatives they ultimately connected with a BranchServ dealer. Nancy Adams challenged that dealer to "streamline the process of handling money" at Piggly Wiggly Sanford. After listening to their summary of requirements, BranchServ reviewed systems integration tools with Compuflex Corporation to see if the LTA-350 from BranchServ/CV Cash Automation could be a viable solution.

Compuflex's Retail Specialist Jim Halpin, visited Piggly Wiggly Sanford to fully assess their needs. He found that check cashing, bill payment, Western Union, and money orders clearly drove profitable growth, brought customers into the store,



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and eliminated cash deposits, but cash handling and balancing all of the different applications was indeed too difficult and time-consuming. Although no one had ever tried to interface a cash recycler with multiple retail applications before, Jim believed that, with modifications, Compuflex's widely popular Branchware cash recycler integration solution could definitely get the job done.

Compuflex interfaced a single LTA-350 Cash Recycler to serve as a central automated safe; automatically dispensing or receiving cash during check cashing, bill payment, Western Union, and money order transactions. Customer Service cashiers therefore continued to use the same financial services applications, but instead of counting cash by hand and entering the result in workstation screens, they inserted money into the cash recycler for cash tendered and dispensed money from the recycler for change or check cashing payments. Branchware Retail automatically entered transaction values in application screens and included an integrated Excel workbook which allowed Piggly Wiggly Sanford to track and summarize transactions to simplify balancing. Furthermore, Compuflex included interactive Excel functions as part of their solution to allow Piggly Wiggly Sanford to create their own ad-hoc cash categories. Lastly, the solution allowed cashiers to use the cash recycler to issue start banks and count till returns, saving time by eliminating duplicate counts.

The complete solution eliminated counterfeit currency and streamlined balancing the safe and store. Nancy Adams stated that "the real win came from improvements in the safe and deposit processes," as these were expedited by the LTA-350, and this is how she measured success. The reduction in labor requirements alone resulted in a two year ROI (Return On Investment). Nancy also noted that with the LTA-350 now firmly in place, "the time required to train service desk personnel has been cut in half to less than 4 weeks." Furthermore, Piggly Wiggly Sanford benefited from enhanced security with protection against both shortages and theft.

Ultimately, the project was considered a success due to CV Cash Automation hardware powered by Compuflex software and supported by the BranchServ service organization. And Piggly Wiggly Sanford is willing to share their success story with other independent grocers that want to embrace technology to streamline their cash handling operations.



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