# PepsiCo Plant Vends Supplies, Not Soda

PepsiCo’s Gatorade plant in Indianapolis was facing inefficiencies in usage of personal protection equipment. Management knew that much more was being used than necessary, driving up PPE spend while lowering productivity.

PPE distribution and use was a “free-for-all” with little tracking, accountability, and control, said Health, Safety & Environment Manager Derek Janquart. About 500 workers simply took the items they needed, and when those items ran out, the company re-ordered them. “We didn’t know where items went or who took them,” Janquart said. “There was no tracking. We didn’t know where items were going.”

“It was like we put in our own Walmart store,” he said. “We put out supplies, and anyone came and got what they wanted, anytime they wanted. Once something was out, we just went and bought more.”

One of the plant’s industrial distributors considered several solutions, including vending systems from Apex Industrial Technologies as well as a company which offered costly older-generation vending systems. The plant and its distributor chose Apex’s next-generation technology Edge 5000 point-of-work machines.

Before the Edge 5000, point-of-work vending machines were too expensive for both suppliers and end-users. Apex’s Connect n’ Go™ Technology eliminates many support requirements of earlier automatic dispensing systems. It’s a true Internet appliance — not PC-based, which means it is MS Windows free — requiring only a

110V outlet and an Internet connection to install.

“Before, we had no true statistics of what we were going through,” Janquart said.

But after the introduction of Edge 5000’s two years ago?

“The reductions in inventory were huge and dramatic.”

The Edge 5000 with C3i Hub now automatically tracks, manages, and controls vended items, and Janquart can see and track usage anytime, anywhere from his Internet browser.

“It’s worked so well that it’s not even a cost we pay attention to anymore,” Janquart said. “The most obvious benefit is that we don’t see empty boxes all around and entire boxes of stuff disappearing, or put something out and wonder why it’s all gone the next day.”

“We used to get tons of complaints about stockouts, plus sometimes an employee would say he couldn’t do his job because something was out of stock. That doesn’t happen anymore.”

“We’ve seen a huge benefit in labor time and labor utilization. It’s freed up one person who before spent a huge chunk of her time handing out supplies.” He said employees readily accepted the system, but they were surprised by the thoroughness of the system’s tracking.

“We saw that we had ‘chronic overusers’ of supplies,” Janquart said. “We could say to someone, ‘Why are you going through so many safety glasses?’”

Janquart also stated that Apex’s technical support has been excellent “No complaints, no drama,” he said. He added that other departments in the Indianapolis plant are considering adding Edge 5000s.

**TX-Sized Savings at Dallas Plant**

The Gatorade plant in Dallas faced similar challenges in 2008.

The parts cage is open 24/7, serving three shifts. Each one of about 200 production workers was supposed to have access to one pair of gloves per day. But some workers were taking “three, four, five pairs at a time,” according to HSE Supervisor Arturo Liendo. He said some workers were picking up handfuls of gloves in sizes other than their own — they were getting them for their co?workers.

The plant installed two Apex Edge 5000 industrial vending machines to dispense gloves — which would no longer be free-issue — and other MRO items including safety knives, batteries, and even Tyvek protective suits used for sanitation. Apex’s Edge 5000 machines and C3i Hub automatically track, manage, and control supplies. Liendo can now check reports that include who has dispensed what and when — in real time, anywhere, from any computer that has Internet access. The

plant used the Edge 5000 to restrict workers' gloves to one pair per day each.

Results were immediate and obvious.

"We've seen a significant drop in the number of items used," Liendo said. The number of gloves was reduced dramatically and, prior to the Edge 5000s, "We might order 20 boxes of (Tyvek) suits at a time; now that's more like 10."

"The reduction in vended items is 35 to 40 percent."

He said supervisors love the system's combination of savings, trackability and ability to identify over?use of supplies. The plant is considering another Edge 5000 to track and dispense additional supplies. "They've been very reliable," Liendo said.

**PA Plant Reduces a Mountain of PPE**

The Gatorade plant in Mountain Top, Pa. faced challenges with the use and spend of personal protection equipment and other MRO supplies.

Prior to the installation of an Apex Industrial Technologies Edge 5000 industrial vending system, a free?issue counter contained bins that supplied hair and beard nets, ear plugs, safety glasses, and several types of gloves.

"It was a free-for-all," said Production Services Coordinator Deven Jones.

"People would just come in and grab what they needed, but they also might grab additional ones."

"Sometimes we would find piles of ear plugs in people's lockers, or someone would have a pocketful," she said. "Also, we wondered why every two to three days we were running out of safety glasses or cotton gloves. And our supervisors would hand out 20 cutting knives at a time, and none would come back."

"Big loss items were gloves," Jones said.

"We needed more traceability, and we needed to know who was over?using." Jones said she'd heard about success of Apex's system at another Gatorade plant. Brian Chernock, general manager for an industrial distributor, recently implemented Apex's industrial vending technology in the Pennsylvania plant's maintenance department. Apex technology, combined with the distributor stocking the machines, has resulted in improved stocking services at the facility.

"I said, 'I can see this as the answer to things disappearing'," Jones said. The distributor installed an Edge 5000 machine. The Apex system allows the plant to monitor usage in real?time. Gloves are restricted to two pairs per day for production workers. If someone needs more, a supervisor can vend them.

After just a few weeks, "I can already see that usage has dropped," she said. "Now there's no big boxes of gloves out where people can grab five at a time."

Jones can view real?time reports any time. “I can see that usage is down and we’re holding onto our money longer.”

The system has given workers quick access to PPE. “There’ve been no problems for workers dispensing, and it’s been simple to do updates of (ID) cards. Apex has been very helpful,” she added.

The distributor stocks and consigns items in the machine, so Quaker doesn’t even pay for an item until it’s dispensed. That, combined with restricting workers’ usage, means big savings — pairs of gloves can range anywhere from 24 cents per pair to $4.58. And PepsiCo now pays less per item than from its previous supplier.

Multiply those savings times several hundred dispenses a week, and industrial vending is paying off big for PepsiCo. “It’s a great tool for Deven to track and control supplies,” Chernock said.

Jones said the plant is considering adding another Edge 5000, as well as an Edge AutoStore locker system for larger items. The services and savings tightened the plant’s relationship with its supplier.

“We’ve steadily increased our purchases with them,” Jones said. “They have a good combination of reliability and pricing.” The Gatorade plant now buys first aid supplies from Chernock’s company.

Chernock agrees that the system “gives us a closer relationship” with the plant. “It’s a great way to partner up and secure the business we already have,” he said. “That then gives us the opportunity for future business. I can see it opening the door for future safety items and others.”

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