



Posted On: 6/26/2008

Reduce Costs through Purchasing Upgrades

With nearly \$20 million spent annually on food and beverages, the Marriott Marquis in Manhattan was looking for a way to accurately track and report spending across the property. That's when management turned to Adaco's Eclipse software as a solution that both streamlined and modernized the Marriott's purchasing operation.

Adaco has been on property since 1994 but the current upgrade that is in place did not occur until 2004. Prior to updating their purchasing system to Adaco, the Marriott Marquis-Manhattan utilized excel spreadsheets and paper PO & Requisition forms within a DOS operation, but given the large size of the property, these systems did not allow for proper accountability and tracking.

"We were only able to create purchase orders, fax them to vendors, and bring the products in with the old system," notes Jim Smith, director of purchasing at the Marriott Marquis in Manhattan. "An invoice through that system was just a piece of paper, but when you go into an automated system with state-of-the-art technology, it gave us the ability to take our systems in purchasing and bring it to the next level. With the upgrade and with the renewed passion in the hotel to be on the cutting edge of technology, we decided to take advantage of all that Adaco had to offer."



With 2,000 rooms, five restaurants, and approximately \$20 million in food and beverages annually, it took a lot of time and effort to streamline operations.

"We have a product department, which is a full management team, who were dedicated to getting out there and creating these databases," says Smith. "They worked with our chefs to get them off the kitchen line and sitting behind a computer. Everyone knows the

benefits and everyone supports it 100%, it's just a slow process to get it up and running."

Leveraging the benefits

Since upgrading their system, the Marriott Marquis-Manhattan is reaping a long list of benefits such as increased accountability in terms of labor, costs, and the quantity of products purchased. They can run reports that have vendor and product usage information through the hotel's requisition system which allows them to pull up vendor histories, conduct price comparisons, and track what products are being used in which outlet during the fiscal period. The tech book accounting feature also allows for the ability to implement budgets into the system for each particular outlet so they know exactly what they have to spend on a period by period basis in order to control each unit's budget.

"We recently completed the installation of an upgraded POS system to Micos 5200 and we plan on coordinating the POS's interface with Adaco Eclipse, says Smith. "Once it is completed, we will have the ability to run detailed menu analysis of both the sales and cost of products in each restaurant daily. This will give us the ability to make pricing adjustments and product substitutions based on menu mix analysis."