

## Transformation drives AmerCareRoyal to an industry leader

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Formed by a number of acquisitions, we highlight the path, challenges, and success of disposables and supply chain leader ACR's digital transformation

ince it was formed with the initial platform in 2014, AmerCareRoyal (ACR) has been on an incredible journey building scale and breadth to become an industryleading platform.

Its products are consumed in every part of the North American foodservice industry,



including large international restaurant chains, emerging regional organisations, local neighbourhood eateries, cafeterias, and institutional feeders, and the broadline and supply distributors that serve them all. Major brands like Five Guys, Tim Horton's and Yum Brands, and hundreds of other brands that operate and distribute to restaurants trust ACR as a single-stream resource for over 6,000 disposable products used to keep their businesses humming.

"We've transformed from a regional player to a leading national supplier of disposable products across 20 categories in the food service industry," comments Brett Barnello, ACR's Chief Operating Officer. "We have

unmatched infrastructure and product breadth. We have over 6,000 product SKUs. We're roughly a billion in revenue today, and we have an aspirational growth plan to triple that to be at US\$3bn in five years or so."

As Jeff DeSandre, ACR's Chief Information Officer, describes, what is particularly notable about the organisation is that it is greater than the sum of its parts.

"If you add up the nine acquisitions that we've made to form ACR, they equate to less than our current revenue," he explains. "The work that's being done here allows for synergising. There is a large portion of organic growth that's part of this acquisitive growth and I think that's pretty interesting that the sum of the component parts is less than what we are today."

### The COVID-19 pandemic and unprecedented supply chain challenges

The COVID-19 pandemic caused welldocumented disruption on a global scale, with ACR's supply chains no exception. ACR leverages domestic manufacturing and international sourcing, which amounts to a truly global supply chain, so it was greatly impacted by the pandemic.

However, as Barnello points out, the company's supply chain issues were not solely pandemic-induced. In fact, ACR was already grappling with growing pains in the pre-pandemic period. As Barnello states, these challenges involved stitching a number of small business units together and linking those and creating synergies.

"The pandemic was another in a series of this unprecedented global supply chain disruption and how we fare and manage through that," he explains. "Then, the challenge was to not only survive the day-





#### BRETT BARNELLO in TITLE: CHIEF OPERATING OFFICER COMPANY: AMERCAREROYAL INDUSTRY: FOODSERVICE LOCATION: US

Barnello has over 25 years of Supply Chain experience in consumer businesses. He is a proven leader with a consistent record of organisational success through sustained results-oriented focus and innovative processes, products, and services. He develops, motivates, and builds organisations and partners with colleagues with a relentless focus on business imperatives.





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#### How Programmers.io is creating trusted partnerships

Kip Kugler, SVP of Sales, explains how Programmers.io's unique skill set leaves the company well-placed to deliver firstclass customer service to clients

For Programmers.io, an on-demand provider of software development professionals, commitment to great customer service starts at the very top.

"Anshul Choudhry, our Founder, is extremely passionate about doing the right thing," says Kip Kugler, SVP Sales. "If customers aren't happy, they don't have to pay. We may have eight or nine months of great work together but, if something doesn't feel right in month 10, we won't invoice and we'll make a plan to fix it."

"To this point, I haven't had any customers leave because they're unhappy."

#### Programmers.io boasts unique skills

Programmers.io specialises in assisting the tens of thousands of US companies using IBM iSeries (AS/400), while also working on at least 50 other programming languages.

The lack of college students learning legacy languages means there exists a distinct shortage of workers – which is where Programmers.io comes in. A key priority for modern-day CIOs in terms of future-proofing, Kugler explains, is deciding whether or not to migrate away from iSeries. He continues: "iSeries is so reliable and consistent that we say to people 'we've got the workforce and we've got the ability to help you stay there longer – you don't have to take that risk yet."

#### AmerCareRoyal benefits from Programmers.io expertise

In recent years, Programmers.io has worked closely with AmerCareRoyal, a producer of disposable supplies that uses a unique legacy ERP system built on iSeries.

Kugler explains: "The issue for AmerCareRoyal is finding the relevant workforce. It's not just about knowing the legacy programming language, but also the specific ERP – and we have that skill set." The pair have worked together on countless projects relating to warehouse and pricing metrics, purchase order functionality, and vendor and order management.

"It's a collaboration, but we see ourselves as an extension of their team," adds Kugler. "We guarantee a budget-friendly environment with unique skills that are hard to find."

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to-day of the pandemic, but actually also on a separate track start to think beyond the pandemic and how we come out stronger and more stabilised.

"We knew everyone would come out of the pandemic at the same time, but some would be worse off than others. For us, our goal was to be stronger and have corrected systems and processes and different people capability."

#### **ACR's transformation**

As DeSandre describes, ACR's transformation began with the transformation of its leadership team, with an end goal of creating a solid bedrock upon which to build.

"I had to make sure that the foundation was right. That meant no noise, and making sure the table stakes worked," DeSandre explains. "It's like the gutters on a house. No one notices them if you put new gutters on, but they do notice if they don't work."

As a result, ACR worked with OpenSystems on a fully-managed, SASE (secure access service edge) SD-WAN solution. "That was a foundation, and was one less piece of noise that I had to worry about," DeSandre explains. "This technical foundation afforded us time to focus on



other key digitisation drivers including master data."

As DeSandre explains, security is a continuous consideration. "We live and breathe considering security. We have to focus on that on a regular basis," he comments. With this in mind, ACR worked with OpenSystems' Ontinue service, its managed detection and response (MDR) division, to help find problems in real-time. Its AI-Powered MXDR expertly blends the best of MDR, as well as assessment and prevention.

From there, DeSandre worked on developing ACR's API layer, working with

VAI – its ERP supplier – and its S2K platform. "Even though our ERP system may not be from one of the big suppliers, the architecture of the system, and the amazing partnership of VAI, has really enabled us to take deficiencies that might be in any ERP system and react really quickly."

"The flexibility that comes with the S2K platform is really a differentiator for us, because it allows us to continuously optimise, especially in the warehouse, which is really important."

The final piece was a trusted managed services partnership which afforded ACR strong technical resources which can be





#### **EMPORIX**

## Avatria, Celonis and Emporix enable efficiency gains for ACR

With the cloud-native Digital Commerce Platform and Commerce Execution Platform, Emporix, Avatria and Celonis are working with AmerCareRoyal to drive increased efficiency and deliver better business outcomes – decrease costs, increase customer satisfaction and set the stage for innovation.





#### Avatria, Celonis and Emporix drive efficiency for ACR

With the cloud-native Digital Commerce Platform and Commerce Execution Platform, Emporix, Avatria & Celonis are helping AmerCareRoyal drive better outcomes.

With its leading cloud-native Digital Commerce Platform and Commerce Execution Platform (CXP), Emporix enables wholesalers, distributors, manufacturers, retailers and brands to utilise insights and ultimately deliver better outcomes.

"So many commerce systems were built more than two decades ago: before the millennium and even before the cloud itself," explains Eberhardt Weber, Emporix's Founder and CEO. "We decided to build a new cloud-native and API-first commerce platform from the ground up, with a focus on enterprise businesses in B2B and also sophisticated B2C business models."

Emporix worked with its preferred integration partner in North America, Avatria, on implementing the Digital Commerce Platform for AmerCareRoyal, a leading supplier for disposables used in the catering, janitorial, sanitation, industrial, hospitality and medical industries.

"AmerCareRoyal had been a customer of Celonis and they were working heavily with their business process mining capabilities to identify bottlenecks and streamline their processes," Weber explains. "Now, together with Celonis, Emporix has developed a new product called Commerce Execution Platform (CXP)" CXP helps organisations optimise outcomes by leveraging up- and downstream process insights to guide and drive the orchestration of multi-step scenarios.

Celonis, the global leader in Process Mining technology, was central to AmerCareRoyal's ongoing process transformation initiatives. Now, Celonis' process intelligence facilitates the end-to-end orchestration that has made the Commerce Execution Platform indispensable for AmerCareRoyal.

When Weber introduced the platform to Jeff DeSandre, AmerCareRoyal's CIO, he says he immediately realised that he is a visionary.

"That's why we decided to start together with AmerCareRoyal for this new product," Weber explains. "And then they realised that they were looking also for a B2B platform for their customers, so more like a self-service portal. This is where Avatria came in, because they customised and integrated this solution based on our digital commerce platform."

After Avatria completed the initial implementation, they began to transition to ACR resources, shifting to an advisory role.

#### JEFF DESANDRE

#### TITLE: CHIEF INFORMATION OFFICER

COMPANY: AMERCAREROYAL

INDUSTRY: FOODSERVICE

#### LOCATION: US

Jeff DeSandre is an accomplished technology executive with more than 15 years of experience in leading complex IT organisations. He currently serves as the Chief Information Officer (CIO) at AmerCareRoyal, a food service company, where he is responsible for the strategic direction and delivery of technology solutions that support the company's business objectives.

In his role as CIO, DeSandre has a proven track record of transforming IT organisations and driving innovation through the use of emerging technologies. He has successfully led large-scale digital transformation initiatives, resulting in significant improvements in operational efficiency and customer experience.

Prior to his current role. DeSandre held several senior leadership positions in technology at companies within the consumer goods space. DeSandre holds a Bachelor's degree from the College of New Jersey. He sits on the advisory board for UCX.





scaled up quickly. For this ACR partnered with ProgrammersIO (PIO), which provides high quality global development resources. "PIO provided us very technically sound resources to support the S2K platform. The level of commitment and quality of their work is outstanding. They are a key part of our IT team," says DeSandre.

With this foundation established, ACR could set its sights on future projects. Since the transformation got underway, ACR has worked on three major projects: Unity – its ongoing integration project; Spotlight – which focuses on commercial optimisation; and Rubik – its Supply Chain continuous improvement initiative.

As Barnello explains, Project Rubik is part of ACR's transformative initiative around its supply chain and back-end operations.

"Rubik started with network design and optimisation as well as inventory management, and how we could become more efficient coming out of the pandemic," he describes. "We had higher inventory levels, low service rates, and we had high back orders as well as splits, in terms of a customer receiving something from a different location on the same order and not at the same time – which was causing customer pain and complexity."

As part of the strategy, ACR worked with its partners to develop a sustainable roadmap. "We put together a large crossfunctional team that involved IT, Sales, Finance, and Operations and then executed that plan."

#### Supply chain partners

As Barnello describes, ACR has worked with partners across its supply chain, including

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#### Ontinue driving the next evolution of MDR with Al

Ontinue Chief Product Officer Tom Corn discusses how the company leverages Al in managed detection and response to deliver a distinctive solution

Driven to define the next evolution of Managed Detection and Response (MDR) for its partners all around the world, Ontinue ION AI-Powered MXDR expertly blends the best of managed extended detection and response — as well as assessment and prevention — into a service specifically designed for Microsoft security customers.

"We specialise in customers who are leveraging a lot of Microsoft security technology," comments Tom Corn, Ontinue's Chief Product Officer. "We have a unique process that isn't just about reactive detection and response, but about constantly improving companies' security posture, in what we call a proactive reactive service."

When outsourcing security to MDR players, understanding the client's control stack poses challenges. While MDR providers may offer expert security support around the clock, the crucial factor is their comprehension of the client's unique environment. To go beyond basic alerts, effective investigation and response necessitate a deep understanding of the company's assets, architecture, and operational constraints.

As Corn explains, Ontinue was started by a group of data scientists with the idea of applying AI to MDR in a unique way. "We are doing something quite different here, where we're applying AI to understanding the customer and the environment we're defending, their operational constraints, and how the defenders have to work in their environment. This allows us to solve that problem of how to understand the environment quickly, deeply, and then localise the solution for a customer."

Ontinue has also innovated with its interaction model. "We started with the premise that the world doesn't need another management console," say Corn. "Instead, Ontinue built its interface into Microsoft Teams, so customers and Ontinue defenders collaborate in a shared channel, taking advantage of Teams capabilities they're already using during the workday. By doing this, we look, feel and act like a true extension of our customers' teams.

"We've specialised more deeply in customers who are using the Microsoft security stack. This has allowed us to do very deep things that you just don't see from other places because we've really specialised."

GAINSystems and 3GTMS transportation management systems.

GAINSystems is ACR's planning partner that it utilises for supply and demand planning efforts, he explains, in a partnership over a number of years.

"Not only are they being used for our planning software and all of the inventory and operating policies that go along with that, but they're also moving into network design as well," Barnello comments.

"We are seeing tremendous value in a single partner that has both the planning capability and the operating policies as well as the ability to help us design and run simulations and optimisation."

3GTMS, meanwhile, has provided ACR with visibility across its transportation network. "What they've really done is given us the visibility and the data to be able to effectively manage our outbound freight and understand where we're winning and losing and then really to chase that down," Barnello adds.

#### Importance of data and data visibility

When it came to looking at ACR's data strategy, DeSandre emphasises the importance of a clean stream of master data which can be easily accessed in near-real time. This is where ACR's partnership with global process mining technology leader Celonis came into play.

"Our work with Celonis really is at the heart of our data strategy, to the point now that we're really moving towards having all of our data in one place within Celonis. Today, we're just starting to tap that potential and I think the executive team is just starting to really understand the power of having that data model."



# PROJECT









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**GAINS: Navigating supply chain volatility with ACR** Jeff Metersky, GAINS' VP of Solution Strategy, explores how better supply chain decisions are moving AmerCareRoyal forward

As a leader in supply chain design and planning, GAINS focuses on putting its customers first and moving them forward faster. Jeff Metersky, the VP of Solution Strategy at GAINS, guides and directs the overall strategy of the GAINS supply chain solution.

#### Supply chain volatility shifts priorities

With decades of experience providing supply chain solutions and services, Metersky knows that traditional supply chain design and planning strategies no longer fit volatile business environments. They lack the flexibility to plan for disruptions and continuously optimise inventory.

"Supply chains are no longer predictable and stable. They have become fragile and exposed due to increased variability and the rise in global disruptions," Metersky says. "Businesses can no longer rely on the same techniques because our environment has changed – the focus cannot be on cost alone. Today's decisions need to balance the trade-off between cost and service to mitigate risk and drive performance."

"Using GAINS' solutions, companies will be able to navigate uncertainty in their supply chains, enabling much greater adoption of designs instead of making them academic exercises. Designs will become more pragmatic so that companies can fully understand their impact and increase the likelihood of adoption."

#### Partnering with AmerCareRoyal to enhance supply chain decision making

GAINS has been on a journey with AmerCareRoyal (ACR) to automate and transform its operations. Consequently, ACR has grown rapidly – doubling in size – as they continue to acquire new businesses.

"Due to their partnership with GAINS, ACR has achieved rapid results, optimised inventory across their network, managed volatility, and become more resilient by being open to continuous improvement and looking for new ways to improve performance," Metersky states. "This strategy achieves their desired outcomes and provides a scalable foundation on which they can embrace volatility and serve their customers well".

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An example of this success comes through ACR's work with Emporix and Avatria on implementing a new Digital Commerce Platform, which enables its customers to utilise insights and ultimately deliver better outcomes. The product is known as the 1ACR portal.

"We just went live with our new portal, and I'm happy to say that we don't have a point-to-point interface. Any information that we already know is clean, and is in Celonis, is being syndicated to our portal, which makes us very unique. We really are starting to get to a point where our transactional data is able to be syndicated and used in these different systems."

As DeSandre explains, the ultimate goal is to achieve a single version of the truth with a low amount of manipulation.

"There are still some shortcomings with not all required data being tracked in our master data as part of our ERP," he adds. "To correct for this and enable change as ACR continues its evolution we have amended our ERP to support non-native master data allowing our ERP to serve as a system of record where necessary."





#### A bright future for ACR

For ACR, which continues to grow through acquisitions, the message for the future is one of continued partnership. And through its projects – Unity, Rubik and Spotlight – the transformation will continue to evolve.

"I don't think it stops," Barnello comments. "This is really a jumping off point for us. We'll continue to refresh the network as we continue to acquire new businesses, new geographies and new customers. We're turning to using data and the digital transformation on our spend cube and in our procurement space as well."

As DeSandre concludes, the future will see ACR continue to drive innovation across its ongoing transformation projects.

"I really do feel like we're at a point of almost best of breed in our supply chain capability. But on our commercial processes, our pricing strategy, how we process rebates, bill backs, how we deal with the commercial aspects of our customers, I do think that we're probably still about a year or two away from being a best of breed there. So I think that's going to be a lot of our focus.

"We have really strong leadership now, and so the future for me is really about continuing the great work that we've been doing for the last three years," he concludes. "It's going to be about pulling it all together and continuing driving our supply chain optimisation projects in Rubik as well as our commercial optimisation projects in Spotlight." **O** 







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