

# THE VENDING REPORT

## The Vending Report

• 1400 South Raney Street • Effingham, Illinois 62401 • 217-342-2288

## Technology increases efficiency, controls costs

In a continuing effort to control costs and keep vending prices low, J&J Ventures is making a major investment in new technology. A new MIS System purchased from EMS Solutions includes special computer units to be installed on J&J vending machines with hand-held units for route persons.

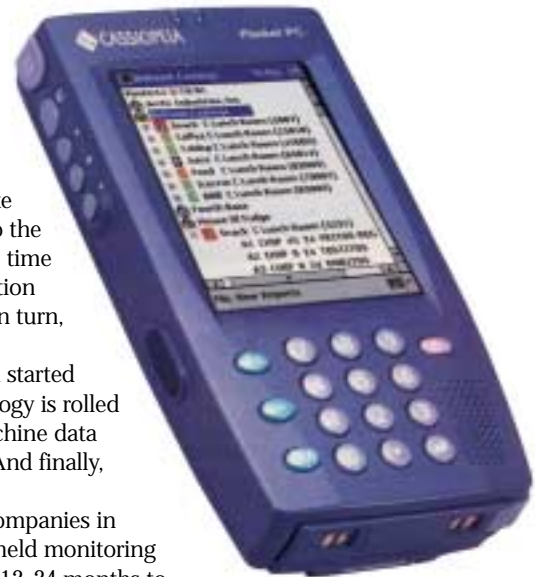
Vending information can be read by the hand held unit when the route technician plugs into the vending machine. The unit captures information out of the machine including sales by item, coins and bills used, every time the machine was opened, a record of machine temperature and much more.

The new technology will help improve 1.) cash accountability, 2.) inventory management and control and 3.) provide usable data to help forecast product selection and help more accurately forecast when machines need refills and service. J&J personnel will know how much was purchased and when it was purchased. The results will keep the items customers want in stock and the machines in proper working order utilizing hard data.

Another major result of the investment is increased efficiency. Route drivers will save 40 minutes a day keying the product information into the handhelds instead of filling out route tickets. It will also eliminate the time drivers spend writing change orders to the office because the information will already be loaded. Saving time will keep J&J costs down which, in turn, will keep vended item costs down to customers and their employees.

Components are being added to machines now to get the program started with the first level of technology. The system will grow as the technology is rolled out in phases. The new systems will first improve back office and machine data communications. The next step will include full cash accountability. And finally, group level product sales tracking will be added.

J&J is recognized by its industry as one of the top 2% of vending companies in America. It now joins the first group of companies to add new hand held monitoring and computer software systems. The company anticipates it will take 12-24 months to complete the rollout.



## GSI Opens Flora Plant

One of J&J's newest customers is the GSI Group. The world-class manufacturer and provider of agricultural equipment, established an industrial assembly plant utilizing an existing building on a 22-acre site in Flora. They plan to eventually employ 150 to 200 people. J&J is providing full vending services to the facility, including; soda, snacks, coffee, microwaves, cold food machines and more.

Employees are currently assembling grain spreaders and stirring devices for grain bins. The stirring devices made at the plant have augers attached which reach from the top to the bottom of the grain bin. The device rotates the grain as help the drying process. The grain spreaders manufactured at the facility evenly spread grain as it flows in the top of the grain bin. Additional product lines like grain drying fans and heaters are planned.

The GSI Group home office and production facility is located in Assumption, Illinois with additional facilities in Vandalia, Newton and Paris. Products are sold in 70 counties worldwide. The company manufactures more than 1,000 models of grain storage silos and hopper tanks, more than 60 models of computer controlled portable dryers, stacked and tower dryers, top dry systems, fans, heaters and a complete selection of grain handling equipment and accessories.



# Interesting NEW Products

A trip to the recent National Automatic Merchandising Association show in Atlanta revealed some interesting new products that could appear in company breakrooms in the future.



## More Coffee Choices

More diversity in coffee with more gourmet flavors along with traditional coffee and decaf is on the scene. One machine for large breakrooms offers 11 different selections. Another single serving machine offers eight delicious flavor choices in place of the traditional coffee pot in smaller businesses. Employers can add gourmet coffees and hot drinks, including; Lattes, Cappuccinos, Espresso and hot chocolate. With a push of a button, drinks are made in seconds; each cup fresh every time with rich and robust taste.

## Electronic Keys

A powered key for opening machines offers greater security including machine opening tracking. Each cyber key can only open machines with specific dates and times. With every use, a record of events can be stored directly in the key. The keys can not be duplicated. They also can be quickly reprogrammed so locks do not have to be changed with employee turnover.



## Cashless Vending

Cashless vending may be an option in the next few years. Paykeys and Smartcards are electronic keys issued to anyone who wishes to use the vending machine. The individual pays a certain amount and the credits are encoded on the key or card. A miniature computer stores the user's credit and controls the machine. Credits are deducted as purchases are made. The new plastic devices are easy to carry with no cash required for vending purchases.

## Alternative Beverages

Organic orange, carrot and apple juices. Red Fusion and Vanilla Coke soft drinks. New flavored iced teas, fruit drinks, waters and sodas with a nostalgia spin. Many new age beverages are hard to define, but they do have a recognizable quality. Most are vaguely natural and wellness or nostalgia-inspired. Price points are usually higher than traditional sodas. Unit volume sales are growing in convenience and discount stores showing increased consumer desire for these products. More will be appearing in vending machines soon.



# Jeff Pryor - Vending Operations Manager

---

Starting with J&J almost seven years ago after obtaining a degree in Industrial Maintenance from Lake Land College, Jeff Pryor is committed to keeping machines operating and customers happy. He first started in the company servicing machines and filling in for route persons. Today, Jeff serves as Vending Operations Manager in charge of field and shop maintenance programs.

Jeff's number one goal is to keep machines operating in customer locations. Repairs and rebuilds on some machines are completed in the shop, but those efforts are always placed on hold if there is a need in the field. Jeff also keeps repair parts ordered and inventory in stock.

When a call is received, Jeff or a member of his team will try to respond immediately and definitely within two hours unless the unit is a long ways from Effingham. Machines are usually quickly repaired on site. Three people service the J&J area. Route Managers may make temporary repairs to keep the machine in operation until a service man can arrive.

Typical repairs include a coin acceptor not taking money, broken wire or bad electronics, motors and solenoid replacement and sometimes compressors. Each machine is different. In the vast majority of cases, machines are repaired immediately. In the rare case where parts are not available, an interim machine is supplied.

The J&J service vehicle is full of tools and many common repair parts. Before leaving on a call, Jeff tries to identify the machine and get a description of the malfunction. He then tries to anticipate his repair diagnosis and include additional parts on the truck that may help correct the problem without any additional trips or delays.

Jeff believes the J&J service effort is different from competitors for two significant reasons. Their faster response time and their superior effort to make sure the machine is fixed right the first time.

"The vending business is a big business," says Jeff. "People don't really realize how much effort it takes. Everyone at J&J works hard to service our accounts. We don't just set a machine in a room and kick back."



## Jeff is also coordinating the new technology additions to the J&J machines.

"The new tech program is very exciting," he reports. "It will offer complete automation for tracking machine activity and will help J&J perform even better for the our customers. We will have to install the decks in the thousands of machines we have in customer locations. It is a huge task, but a great thing."

"We will have to do our regular work plus upgrade all of the machines," Jeff concludes. "We are ahead of schedule right now and plan to remain so. Several routes will be operational by the first of the year. Those routes will be completely tested and then the rest will be completed to provide even better services for our customers."

## Oracle Packaging Comes to Town

---

Another new business to select the Effingham area as the place to expand its operations is Oracle Packaging. Oracle Packaging is a manufacturer of folding cartons. Among the many types of boxes and packages the company produces, the Thomaston, Georgia-based company supplies cartons to Krispy Kreme Doughnuts. Krispy Kreme recently opened a new production facility in the Effingham Business Park to supply outlets in the midwest and western portion of the United States.

Oracle is utilizing approximately 30,000 square feet of production and warehouse space to produce folding cartons for its customers. The gluing and storage operation has the potential to expand with multiple shifts. J&J Ventures is very pleased to providing beverage, snack and food vending services for the new operation.



# Mechanovent Chooses Effingham

Mechanovent Corporation, a New York Blower Company, has selected Effingham as the location for its latest expansion. The a more than 100-year-old company that manufactures industrial air moving equipment has purchased an existing building in the Effingham Business Park. More than 50 people will be employed. J&J is pleased to be providing coffee, soda and snack machines for the operation.

The New York Blower Company designs and builds fans and blowers to move air in all types of commercial and industrial applications. The company has one of the most comprehensive lines of fans and blowers in the world with thousands of designs and models available. In addition to serving the US market, New York Blower Company serves worldwide markets through licensees in Mexico, Taiwan, Korea, Singapore and New Zealand and has sales engineers in 65 cities.

The privately-owned company with corporate headquarters in Chicago credits much of its success to high quality employees who share the company's vision to be the world leader in air moving equipment. Management is committed to providing a work environment that is personally challenging and rewarding.



## J&J Ventures Provides Scholarship

J&J Ventures promotes the education of area young people in many ways. One of the more visible ways is the \$1,000 scholarship the company awarded to a deserving student attending Lake Land College. This is the fifth year J&J has endowed the unrestricted scholarship allowing Lake Land to select a young man or woman who will benefit from the financial support of their education.



## J&J Ventures, Inc.

[www.jjventures.com](http://www.jjventures.com)

• 1400 South Raney Street • Effingham, Illinois 62401 • 217-342-2288

IAMA & NAMA Member



At J&J Ventures, we value the support of our customers. By supplying high quality products and a friendly customer support staff, we are sure to satisfy even the most discriminating consumer.

***We provide...  
because you deserve the best!***

Newsletter printed by...

1713 W. Banker  
Effingham  
217-347-3775  
1-888-347-3775  
Toll Free  
[www.wortmanprinting.com](http://www.wortmanprinting.com)



FREE Quotes on all company printing needs.

Your communications resource...

**InformPro**  
Inc.  
ADVERTISING • PR • VIDEO

P.O. Box 1142 • Effingham  
Brochures • Newsletters • Video • Web Sites • Advertising  
217-342-2661 [www.informpro.com](http://www.informpro.com)