

# Subway

## Corporate Safe Specialists – Automated Cash Control System



*For 37 years Subway, the largest submarine sandwich franchise in the world with over 23,200 individually owned restaurants in 80 countries, has been providing entrepreneurs with the means to build and succeed in their own business. In 1997 Subway and TCBY, with well over 3,000 locations worldwide of their own, joined forces that resulted in the marriage of these two stores in many locations.*

*In 2003 The Subway Franchise Group of Chicago, Illinois and an Owner & Operator of a Subway/TCBY store in Huntington, New York began looking at their cash control systems with an eye on improving operations.*

### BUSINESS IMPACT

Three days per month savings of managers  
time dealing with cash management

\$4,900 per year in reduced shrinkage

\$3,000 per year increase in revenue

Improved employee moral and security

Improved customer satisfaction



Security » Innovation » Service

## BUSINESS SITUATION

Subway continuously strives to bring innovative support to their franchisee owners and operators. In 2003 Amin Fazal, Subway Franchise Group CFO, located in Chicago, Illinois and Lucien Saint Cyr, Owner and Operator of a new Subway/TCBY store in Huntington, New York began evaluating their cash control processes. Lucien's new store needed a safe and he was looking for more than what a standard safe provides. He wanted a safe that would dispense change, better monitor change levels to minimize trips to the banks and be more secure by limiting required openings. In addition, Amin was looking for a solution that would provide tighter cash control and help reduce the number of cash discrepancies, along with the time required to resolve discrepancies when they occurred.

In store operations, as in most businesses, time is money. If you can't make change you can't do business. Dispensing change takes time; a trip to the safe is time that customers are not being serviced – which means they may walk, or not come back. Furthermore, if you have to send employees to the bank (or another store location) to get change, this lowers staffing while they are gone which often can have additional negative impact on sales. In addition, a conventional safe must often be left open so it is accessible to employees to get change. This access provides temptation and shrinkage occurs. With many employees having access, resolving discrepancies in cash levels is difficult. All employees who had access to the safe during the time in question must be contacted. Thus when a discrepancy is being investigated, employees can feel like they are under suspicion even if they are not, lowering moral.

In store operations, cash drops are made to the store safe multiple times during a normal business day. Quite often money deposited during a drop is put in an envelope with the amount recorded either on the envelope or on a separate tally sheet. When verifying the envelope amount in preparation for making a bank deposit, what if the amount does not match? Honest miscount? Shrinkage? What if the whole drop just disappeared? Again, investigating the situation takes time, perhaps involving multiple individuals, and often no documentation of who had access and the transactions that occurred during the day.



Subway searched for a business partner to meet their needs, after a rigorous selection process Corporate Safe Specialist's Advanced Cash Control System (ACCS) was chosen. "The ACCS is a touch screen information safe that has the functionality to be fully integrated into existing IT networks and structures. It has all the features I was looking for including coin dispenser, familiar Windows based operation of functions such as dipstick, video recording of transactions and time delay entry," Said Lucien. For Amin, a key feature was the ACCS system's ability to link directly to the cash register and the **Sub Shop 2000** system. The fully integrated solution provided coordinated cash control and aligned reporting. This capability would enable improved cash management, and a clear picture of each cash transaction and overall flow of money during the business day.

The ACCS system was installed at Lucien's store in Huntington and at one of Amin's high volume locations in downtown Chicago. The installation process was completed and both locations were using the system within four hours.



## THE RESULTS

Lucien and Amin have enjoyed multiple benefits from the implementation of the ACCS solution. Better control and streamlined cash management processes have resulted in significant savings and the ability to proactively manage the flow of money within their store operations. Specific benefits realized include:

### 1 – TIME SAVINGS

Through the implementation of the ACCS system, significant time savings have been realized. For the store manager alone the savings has been over six hours per week – or three days a month.

#### **Time spent getting change:**

Employees would make over 15 trips to the safe per week to get change, they are now down to three trips. At five minutes per exchange, that is an hour a week for the store manager. Add to this the daily runs to the bank to get change. The daily runs now occur only 3 times per week, a savings of 4 bank runs per week at approximately 30 minutes per run – or 2 hours per week.

#### **Bank deposit preparation:**

Time spent verifying cash drops made to the safe in preparing to make a bank deposit have been reduced by over 2 hours per week.

#### **Reconciling discrepancies:**

In a typical week, store managers would spend at least an hour handling discrepancies between what was recorded for a cash drop and what was actually in the envelope. This type of discrepancy, and therefore associated time resolving the discrepancy, has been eliminated. In the instance of a full cash drop missing, the CFO, area manager, store manager, and multiple employees were involved in resolving the discrepancy. Time spent resolving issues at this level mount quickly, having reached a total of 20 man-hours for a single occurrence.

### 2 – MORE SECURE – EASY TO DETERMINE WHO HAS ACCESS WHEN

Reduce Shrinkage – \$200 per month on average (\$2400/year) that disappeared from the safe from open access to allow employees to get change and elimination of cash drop discrepancies. At least once a year a full cash drop disappears (\$2500/year) – none have occurred since the installation of the ACCS solution.

### 3 – REVENUE ENHANCEMENT

Estimated 5% increase in revenue from customers who use to walk because they had to wait for change. This could mean \$3000 per year for an average Subway store.

## CONCLUSION

The ACCS solution has had a significant impact on the operations at these subway facilities. Full integration with the *Sub Shop 2000* system provides better control and visibility across all cash transactions. Manager and employee productivity is up. Also, by not having to worry about shrinkage, and the associated air of suspicion, there is a better working relationship between employees and the owners. Lucien estimates that productivity is up 20% from this factor alone. The time savings and productivity increases provides more time for owners and managers to be creative in new ways to grow their business. Add to this employees feeling more secure knowing there is no longer open access to cash, and therefore they are less likely to be a target of theft, employee satisfaction is up significantly. Customer satisfaction has increased improving both short and long term revenue and there has been a dramatic reduction in costs associated with shrinkage and missing cash deposits. The bottom line is the ACCS solution has had a significant, quantifiable impact on the operations at these Subway locations.



## KEY ACCS CAPABILITIES

With the CSS Automated Cash Control System you get a Windows based system, with easy to use touch screen control, that easily integrates into your **Sub Shop 2000** or existing IT networks and systems. With the best customer service in the industry, CSS will always be there for you. The ACCS solution provides the following key features.

FEATURE/CAPABILITY	BENEFIT
<b>Coin Vending</b> – automated coin monitoring and disbursal, including audit trail	<ul style="list-style-type: none"> <li>• No open safe – reduced pilferage</li> <li>• Increased accuracy – reduced shrinkage</li> <li>• Clear visibility of exact change usage over time</li> <li>• Optimize change levels required for operations</li> <li>• Reduce Change Fund on hand</li> <li>• Improved employee productivity &amp; morale</li> </ul>
<b>Bill Validation</b> – automated bill handling/monitoring, including audit trail	<ul style="list-style-type: none"> <li>• Detects counterfeits</li> <li>• Greater cash handling accuracy = less shrinkage</li> <li>• Reduces errors and time spent auditing/reconciling</li> <li>• Reduces bank penalties for counterfeit bills and inaccurate deposits</li> <li>• Less time counting money = increased time for sales/customer service</li> </ul>
<b>Loss Prevention Software</b> – security management tool, including event monitoring, time delay, audit trail, remote access, user editing. Should be fully programmable.	<ul style="list-style-type: none"> <li>• Reduce shrinkage through increased cash management accuracy</li> <li>• Threat prevention</li> <li>• Reduce reconciliation time</li> <li>• Enables better financial management/planning</li> <li>• Flexibility to changing business needs (easily tailored)</li> </ul>
<b>Remote Monitoring/Access</b> – allows for remote reporting and event monitoring – including remote monitoring of business rule violation – e.g. safe door left open too long	<ul style="list-style-type: none"> <li>• Increase security – monitor safe anytime, from anywhere</li> <li>• Saves management time/more productive</li> <li>• Increase ability to track and plan financials</li> </ul>
<b>POS and Back Office Interface</b> – uses industry-standard technology and easily connects to a wide variety of existing front and back office systems/software	<ul style="list-style-type: none"> <li>• Reduce implementation cost</li> <li>• Reduce data entry errors</li> <li>• Improve cash forecasting</li> </ul>
<b>Video Event Monitoring</b> – provides capability for live video feed and pre-event monitoring of areas where cash handling takes place	<ul style="list-style-type: none"> <li>• Increase security and reduce theft</li> <li>• Improve employee productivity and morale</li> </ul>

## ABOUT CSS

**Corporate Safe Specialists (CSS)** is one of the largest suppliers of safes and cash control systems to the U.S. retail and restaurant communities, including many Fortune 500 Companies. Since 1988, CSS has been providing the technology and solutions to meet their clients’ needs effectively and efficiently – while providing the best customer service available in the industry.

To find out more about the alternatives available for your situation, contact a Corporate Safe Specialists representative at 1-800-342-3033. We can model the potential benefit impact and ROI of ACCS for your organization and show you how to take the next step toward effective cash management. For further information, please visit our website at [www.corporatesafe.com/accs/](http://www.corporatesafe.com/accs/).

