

New Linen Management Software Delivers Big Gains for NISH Laundry Services

By Gisele McAuliffe, contributing feature writer

The accuracy of linen inventory coming into and going out of the laundry services operation at Eggleston Services in Norfolk, Va. is expected to increase some 20 percent after the nonprofit agency (NPA) completes testing a new textile management software system called LinenWeb®. The sophisticated E-Business solution provides production optimization, route accounting, stock control and comprehensive management information for all sizes of laundry operations. The results include reduced costs for laundry service providers that can be passed on to federal government customers and AbilityOne employees.

“LinenWeb® does the same thing for laundry that the Microsoft Excel program did for accounting,” said Charlie Anderson, vice president of laundry services at Eggleston Services. “Today, we have more than two-dozen laundry services accounts and LinenWeb® will track all the linens as they come in and go out from our operation for each account. It is making us a better vendor.”

Laundry services providers in the AbilityOne Program process an estimated 55 million pieces of linens annually for seven federal government agencies—the U.S. Navy, Army and Air



Eggleston Services laundry employees, Kathryn Sexton and Willie Rivers, sort linens fresh out of the dryers.

Force; Department of Veterans Affairs; Department of Health and Human Services; and National Institutes of Health.

NISH sought to provide a software solution that would make AbilityOne Program laundry operations more efficient, provide benchmarking against best practices, improve efficiency and provide consistency nationwide.

After a comprehensive review of respondents to a request for quotes, NISH selected LinenWeb® primarily because it was the only system that met all key requirements without any customization or third-party tools, including:

- Being able to track barcodes and Radio Frequency Identification technologies (RFID) on all the linens
- Processing of goods – monitoring the costs of repairs and re-wash processes

- Inspecting uniforms with barcodes
- Generating tickets for delivery
- Generating invoicing for the customer
- Customer linen consumption and utilization analysis
- Usage summary report by each customer
- Daily usage reports (how much linen is being used on a daily basis)

NISH also was impressed that LinenWeb® offers a total linen management solution, rather than only linen tracking. By using the system correctly, NISH estimates NPAs could save 25-30 percent on their laundry service expenses annually.

About LinenWeb®

LinenWeb® was created by Centrex Technologies, an international corporation specializing in the development of advanced applications for healthcare, health-related industries, linen and laundry



Linen inventory coming in and going out of a laundry services facility (like Eggleston) can be recorded into the LinenWeb® system remotely via a small handheld device (or PDA).

management. Centrex Technologies' industry-focused systems are among the most advanced solutions available and LinenWeb® is the firm's primary product. Centrex Technologies was recently re-certified to the new ISO 9001-2000 standard and, today, LinenWeb® is installed at more than 400 sites nationwide.

According to Shane Woodson, NISH senior program manager of laundry services, the key attributes of LinenWeb® are:

- Internet-based and supported—24/7
- Generation of “real-time” data about the status of laundry orders and volume statistics
- Ability to utilize bar coding and RFID
- Easy interface with most accounting and operational software
- Laundry equipment usage data (via microprocessors) for analyzing efficiency
- A complete laundry management system that tracks equipment maintenance and inventory of parts

Eggleston Laundry Division

In recent months, Eggleston Services has tested LinenWeb® and the NPA completed its first practice run in October. So far, the results have been outstanding and NISH leadership has committed to offering NPAs interest free loans for the system. The estimated return on investment for NPAs is less than three years.

“We’ve been in the laundry business for 15 years,” said Paul Atkinson, president and CEO of Eggleston Services. “We’ve grown from one to 25 customers since 1992 by moving our plant, expanding our equipment and increasing our productivity to about seven million pounds of laundry per year. LinenWeb® is new for us. We recognized we could not manage with antiquated software systems or paper and pen. You can’t use a manual tracking system when you manage 50,000 pieces of linen daily.”

More than 100 people work in Eggleston's laundry services division, including 78 individuals with disabilities.



Eggleston Services route representative, Alan Vigneault, rapidly records the contents and weight of each incoming laundry cart using a LinenWeb®-programmed barcode scanner.

Most AbilityOne employees are finish workers who iron and fold items. Up to eight AbilityOne employees are load builders who perform linen counts and are being trained to use LinenWeb®.

The total annual value of Eggleston's AbilityOne laundry contracts is \$3.2 million and its top government customers include:

- U.S. Naval Hospital, Portsmouth
- Fort Lee, U.S. Army
- Fort Eustis, U.S. Army
- Langley, U.S. Air Force

“Laundry operations provide fantastic work for people with a wide variety of levels of ability,” Atkinson said.

Putting it to the Test

“Managing textiles is what we really do, not just laundering,” Anderson said. “Just like a ballplayer keeps track of his stats, we have to keep track of our statistics and what gets done. We learned very quickly that if you don’t manage your laundry services operation, it will manage you.”

In recent years, Eggleston Services laundry operations began performing some complicated laundry services tasks such as the cleaning of unique products (load bearing vests, helmet covers, expeditionary sleeping kits, chemical suits, etc.). According to

Anderson, unique items are not hard to clean, but they are very costly to replace if the inventory of such items is inaccurately counted when they come in. Inaccurate counts lead to a report that shows an item as “lost” when the item may not have ever come into the system in the first place.

“With one sleeping bag kit priced at \$250, we need to better ensure that the customer’s count of items coming into us for cleaning is accurate,” Anderson said.

Before the installation of LinenWeb®, Eggleston Services used a calculator to manually count linens coming in. Preliminary tests indicate LinenWeb® will sharply increase the accuracy of inventory counts during the first complete trial run of the system in October. In November, Eggleston will progress to using LinenWeb® for both laundry services billing and inventory management.

Challenges

Eggleston has spent about three months integrating LinenWeb® into its laundry services operation and estimates it will devote an additional two months to ensure all of its AbilityOne employees are thoroughly trained in using the system. A Centrex Technologies representative spent two

days on site configuring Eggleston's equipment (three PCs, code scanners, touch-screens and platform scale), getting the Internet-based program up and running and conducting employee training.

The total financial investment for NISH and Eggleston was about \$33,000. That included the computer equipment priced at about \$6,000 and the LinenWeb® system totaling \$27,000.

LinenWeb® adds additional work steps for laundry services employee at Eggleston Services, but once those steps are learned, the entire process is performed a lot faster.

"It's like the transition bookkeepers went through when they moved from handheld tape calculators over to computer-based accounting software programs that calculated data automatically," Anderson said. "LinenWeb® has pop up windows and all the work can be done by a touch screen. By not requiring a traditional computer keyboard, LinenWeb® is much more user friendly for individuals with severe disabilities, especially individuals with cognitive disabilities."

Benefits

Eggleston processes 130 laundry carts daily and LinenWeb® has made that process much easier by eliminating the need to deduct the "tare weight" (weight of the empty laundry cart) when weighing a new cart of incoming linens and by matching laundry weight and description of inventory to each cart via code scanner.

Other benefits of the LinenWeb® are:

- The ability to load into the system for tracking purposes the same item numbers used by the government customer
- Customer online access to check the status of all work orders 24/7
- Automatic alerts to Eggleston Services staff if it appears an order may run late so the NPA can speed up processing



LinenWeb's® user-friendly computer touch screen simplifies and speeds the work of Eggleston Services laundry employees, Stacey Cooper and Kevin Godfrey.

- Centrex Technologies management of the entire Internet-based system—the NPA needs only a high-speed connection to the Internet and a few computers to use LinenWeb®
- System servers are maintained and backups are carried out by Centrex Technologies
- Technical support is available 24/7

Kevin O'Hara, CEO of Centrex Technologies, notes that since LinenWeb® is Internet-based, Centrex can maintain a central database of its hundreds of customers, allowing them to establish best practice benchmarking. Also, it can perform comparative reporting, for example, it can run reports focusing exclusively on AbilityOne Program laundries.

More accurate reporting and the availability of a wide variety of analyses translate into better service for the customers of laundry operations that use LinenWeb®. The system also helps customers reduce costs on their end.

Finally, invoicing is streamlined. All it requires is a few clicks of the computer screen to build and e-mail an invoice to a customer. Since the system is Internet-based, customers can log in to their own personalized LinenWeb® mini site to review their invoices as soon as they are created and send out their payments sooner, speeding up payment by as much as two weeks.

Future Benefits

O'Hara emphasizes that LinenWeb® is not a magic solution. "It is a tool," O'Hara said. "If you don't use it properly to analyze a laundry operation you will miss out on many of the savings it can bring."

On the flip side, O'Hara points out that NPAs could take greater advantage of all the cost-saving opportunities LinenWeb® offers. For example, the system provides analysis that identifies losses, excess inventory and excess usage. A LinenWeb® function called "virtual laundry" allows laundry managers to use a software model of their laundry to accurately examine the cost savings and financial impact from a wide variety of operational changes; for example, the installation of new dryers or working a second shift, thereby potentially increasing revenues of large laundry operations by tens of thousands of dollars.

LinenWeb® appears to be a perfect fit for AbilityOne laundry operations. It erases the challenge NPAs have had selecting and finding the necessary funding for technology that would achieve vital cost savings. In the near future, AbilityOne laundry operations will be better positioned to compete with commercial laundries that also utilize laundry management solutions.

LinenWeb® should help AbilityOne laundry operations become more efficient by reducing the operating costs making it possible to attract more business, expand laundry operations and ultimately lead to more laundry services jobs for people with severe disabilities. **WP**