

# Transformational Cash Technology

## Case Study



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# Cash is Still Relevant

According to the Federal Reserve's Study Data...



Cash transactions make up the single largest share of consumer transaction activity, and usage is on the rise.



*Federal Reserve CPO Reports, Trends in Retail Cash Automation, February 2014 and Cash Continues to Play a Key Role in Consumer Spending, April 2014 )*



# HANDLING CASH IS:



**UNAVOIDABLE**



**TIME-CONSUMING**



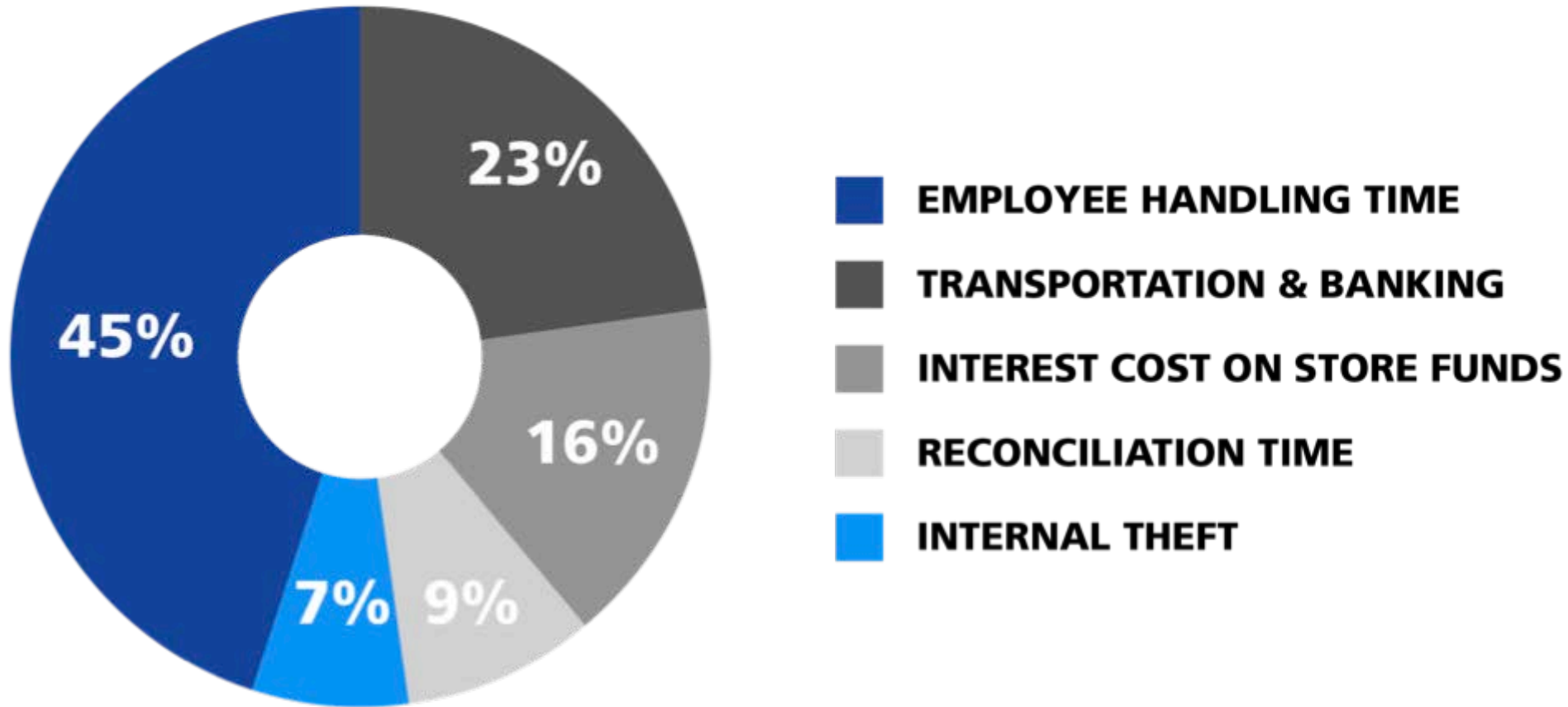
**EXPENSIVE**



**RISKY**

# The Cost of Cash

Industry studies define cost composition, but not total cost!



Source: "Cashing in on Remote Cash Capture: Overview and Market Opportunity," Celent, 2011

# Change is Ahead!

*Embracing and integrating technology and shifting costs for nonstrategic functions will, no doubt, continue to be a core competency of successful retailers in 2020.*

**Retail 2020: Reinventing Retailing - Once Again**  
IBM & NYU Stern School of Business, April 2014



# What does Change Look Like Going Forward

## POS Cash & Coin Recyclers

- Eliminate cash drawers at POS
- Banknote Recycling
- Banknote Collection Cassette
- Cashier or Customer facing



## Back Office Cash & Coin Recyclers

- Prepare cashier tills / verify deposits
- Large capacity devices
- Labor & Operational Efficiencies



## Centralized Management of Cash

- Manage devices at multiple levels
- On-line real time reporting



# Cash Recycling is the Key to Retail Cash Management

*In addition to increasing count accuracy and reducing staff time spent counting (and recounting) notes, [cash recyclers] improve identification of potential counterfeit notes and function as secure storage units for cash, which reduces theft and increases safety for employees.*

**Federal Reserve CPO, Trends in Retail Cash Automation, February, 2014**





Knott's Berry Farm

# A CASE STUDY IN CASH MANAGEMENT

# Overview

- Opened in 1920 by Walter and Cordelia Knott
- Early days known for its jams, jelly preserves, and famous fried chicken dinners
- Enterprise added attractions and shops to entertain visitors
- Theme park has grown to 160-acre amusement park located in Buena Park, CA
- Employs over 4,000 full-time and seasonal personnel
- Recently celebrated 75<sup>th</sup> Anniversary of Knott's Ghost Town
- Trail-blazer of the “Knott's Scary Farm” concept



# Knott's Berry Farm – A Case Study in Cash Management

## Objective - Reduce The Amount Of Time Spent Counting Cash

- Manual Cash Processes
  - **75 – 120 Hours Per Day Counting Cash** By Various Personnel
  - Multiple departments accountable for the cash
  - **500 - 700 Cashier Tills Managed** Throughout The Park Per Day
  - **Large Cash Inventory** Required To Support Cash Transactions During Peak Period
- Aided By Back Office Software And Hardware
  - Currency Counters
  - Coin Sorters



# Knott's Berry Farm – A Case Study in Cash Management

## The Test: Trial Cash Recyclers To Reduce Time Spent Counting Cash

- What Did We Test?
  - Technology To Prepare Cashier Tills – No Management Intervention
  - Single point of contact - Use Technology To Eliminated Human Errors
  - Manage Thousands Of Cashiers' Tills With Technology From Anywhere Within The Park
  - Depend Less On Standard Vault Safe – Have Technology Manage Our Cash Position
  - Increase Cash Security For Cashiers As They Walk Throughout The Park Handling Cash
- Intranet Connection
  - Improve Accountability And Provide On-line Real Time Data Results
  - Allow Managers The Freedom To Manage Their Cash Activity From Their Respective Offices Throughout The Park
  - Adding And Deleting Users, Changing User Profile Information
- Significantly Improved Cash Accountability Throughout The Entire Operation

# Knott's Berry Farm – A Case Study in Cash Management

## The Result: Success In Reducing The Amount Of Time Spent Counting And Managing Cash

- Eliminated 40 – 70 Hours Per Day Spent On Counting Cash
- Single Point Of Contact Was Eliminated – The Technology Managed The Cash Assets By User
- Cash Recyclers Managed Thousands Of Tills, No Longer A Manual Process
- Software Deployed So That Managers Can Remain In Their Office And Manage Cash Remotely By User
- The Volume Of Cash Required An Investment Of (5) Cash Recyclers To Operate The Park's Cash Assets.
- Strategically Locate Cash Recyclers Throughout The Park To Limit The Walk Time To 3 Minutes From The Time Cashiers Receive Their Till And Walking To Their Cashier Destination.

# Knott's Berry Farm – A Case Study in Cash Management

## Critical Factors for Success

- Management Support And On-going Communication
- Well Documented Operational Procedures
- Cash Recyclers Needed To Be Deployed Near Park Locations That Required Access To Cash Throughout The Day
- The Ability To Track And Measure Our Results For Continued Optimization Before, During And After Deployment

# Knott's Berry Farm – A Case Study in Cash Management

## Top 5: Cash Recycler Benefits to Knott's Berry Farms

- 1) All Services Available On All Cash Recyclers – cashiers can approach any Cash Recycler to receive their starting till and make deposits at the end of their shift.
- 2) Happy Cashiers & Managers – The Cash Recyclers manage the cashier tasks so our managers can do other things and cashiers can do their job autonomously.
- 3) ROI – our financial goal for this project less than 2-year payback and we achieved this goal.
- 4) Partnership Required – investment in this technology was a major factor and we needed to connect with a partner that could grow with us and support us for the duration of the product.
- 5) Right solution – would not return to manual processes. Cash Recyclers are being installed at other Parks owned by Cedar Fair Enterprises.

# Knott's Berry Farm – CI-300s



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# Thank You!

# Questions?