

Drug Store Chain Centralizes & Synchronizes Operations with Catapult's Enterprise Edition

Boone Drug Company, located in historic downtown Boone, NC, was founded by Dr. George Kelly Moose in 1919. For 50 years, George set the standards for friendly, honest service and made Boone Drug a place customers looked forward to visiting. When you walk through the doors of Boone Drug today, you find yourself somewhere back in time and wanting to stay. The smell of home-cooked food and the echo of kind words from strangers make for an experience quite uncommon these days. Under the direction of owners Jim Furman and John Stacy, Boone Drug continues to thrive at all of its locations, offering full service pharmacies and a friendly atmosphere. Boone Drug is simply a place like no other. For more information about Boone Drug visit them on line at www.boonedrug.com



Boone Drug - Deerfield Location (Headquarters)

We recently spoke with head pharmacist and co-owner John Stacy, in-house POS Consultant Susan Hutchinson, and POS Coordinator Kevin Hudson about the benefits the Boone Drug chain is receiving from CATAPULT.

ECRS: How did you arrive at Catapult as the solution for the Boone Drug chain?

Stacy: About three years ago we really started to understand how important it was for us to find a modern retail POS system. We'd all been watching what the large pharmacy chains were doing in that area, and we did not want to get left behind. With eleven stores in our chain, we had reached a point where the old ways of doing things operationally was not viable for us any longer. We had manual cash registers and no back-end computer system. We had a lot of inconsistent item pricing

among our stores that we weren't even aware of until a customer brought it to our attention. And even then it would require a number of phone calls and faxes to finally get the pricing right.

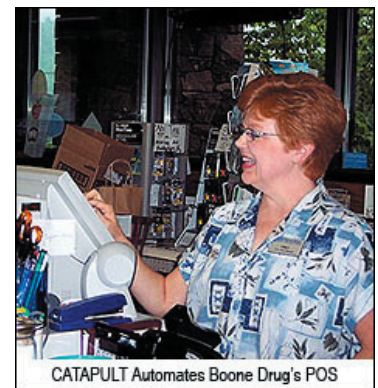
These pricing issues alone quickly put us on the path to finding a modern POS system. After learning about ECRS and CATAPULT and receiving a demonstration of what the system could do, it was apparent that this was the solution we'd been looking for.

ECRS: How often do you have CATAPULT replicating your chain-wide data? How reliable is the replication?

Hudson: Catapult replicates our chain-wide data every hour like clockwork. The replication process is invisible as far as we're concerned. It happens every hour as we've configured it to do, so we don't really have to think about it. We just know that our data is constantly being synchronized on schedule.

ECRS: What benefits are you seeing from hourly replication with CATAPULT?

Hudson: We now have at our fingertips up-to-the-hour information of all store operations. Information such as customer charge accounts, item movement, and cash management. Boone Drug can now respond quickly to our customers' needs.



CATAPULT Automates Boone Drug's POS

Hutchinson: CATAPULT replication is also helping us solve our old pricing inconsistencies. We do all item pricing from our centralized headquarters location. Replication then updates all the stores in our chain with the proper pricing, which our customers really appreciate. And of course this is great for our business because accurate pricing means happier customers. And we have a much better grasp of our margins.

ECRS: How is CATAPULT's Rx and credit card signature capture working for you?

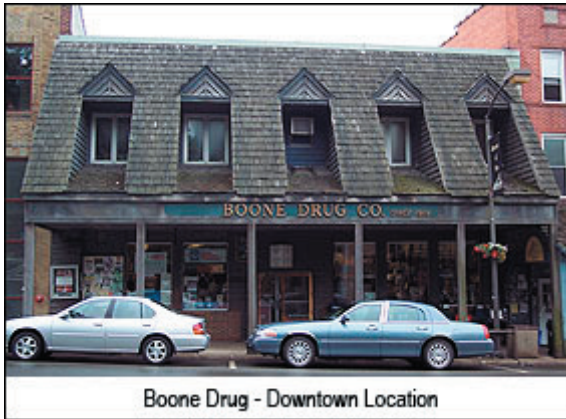
Hudson: CATAPULT's integrated signature capture is fantastic. For so many years we used the old method of

paper logs for collecting signatures for prescription pickup. Not only did this create a huge backlog of signature sheets to archive, it was also very difficult to search for a signature when pickup disputes arose. But now with CATAPULT's signature capture interface, we're able to settle Rx pickup disputes very quickly. We also display the HIPAA statement on the PIN pad screen, giving our customer the choice of viewing it in English or Spanish.

Hutchinson: Just as a side note, CATAPULT's integrated credit card authorization has totally simplified things on the accounting side as far as reconciliation. With manual registers, our credit processing was of course separate from our cash and check transactions. Having all forms of payment processed by CATAPULT has cut down on bookkeeping's time significantly.

ECRS: Are you using CATAPULT to evaluate item movement?

Hudson: Yes. Before CATAPULT we would often discontinue products because of a manager's impression that the product was not selling well. One such incident in our deli at the downtown location finally proved to us that this was not how item movement should be handled. We'd had CATAPULT installed for a few months and were redoing our deli menu. We were about to discontinue a particular sandwich that our head waitress thought was not selling well because she hadn't sold very many herself. A quick look into CATAPULT's item movement for the sandwich made it clear that the other waitresses were selling a lot of this particular sandwich. So the sandwich was left on the menu thanks to CATAPULT's item movement analysis.



ECRS: Has CATAPULT's POS Touch Screen been helpful at Boone Drug?

Hutchinson: Definitely. When we first decided to install CATAPULT, some of our longtime cashiers felt like the new technology would make them obsolete. Much to their delight, the system was so easy to learn and remember that most of our older employees are real CATAPULT advocates. It totally helped overcome their fears of using a PC-based system. Also, some of our stores have certain specialized or frequent transaction scenarios, like a photography counter or UPS shipping center. CATAPULT lets us customize the POS screens at those

particular locations by positioning the buttons for those transactions at the top level so cashiers can access them quickly.

ECRS: Are you using CATAPULT's Prompts Functionality?

Hutchinson: Absolutely. Before CATAPULT, we had a slew of notes stuck to our registers and counter space to help remind cashiers of all kinds of things, from procedures and training sequences, to customer issues, to bad checks. CATAPULT's powerful POS prompting takes care of all this for us now to provide cashiers with all of this information. The sticky notes all over our point-of-sale areas are history.

ECRS: Does Boone Drug have any application for CATAPULT's label interface?

Hudson: We have an area below our retail level where we store all of the medical equipment in our rental program. It had always been very unorganized because we used handwritten checkout/checkin sheets to keep up with everything. Then we discovered CATAPULT's label-making module. Now every piece of our rental equipment has a unique bar code, so we simply scan the equipment in and out. For the first time ever we know exactly what equipment is available for rental and what equipment is currently being used by customers.



Boone Drug - Mountain City Location

ECRS: Tell us about Boone Drug's use of centralized promotions.

Hudson: CATAPULT has really expanded and streamlined our promotional strategies. We used to do random store-specific promotions based on our impressions of how certain product lines were doing, or if we wanted to liquidate certain

items. But now we can see the true movement data for all of our items, so it's not a guessing game anymore. We have our stores grouped into zones so that from our headquarters office we can schedule store-specific promotions that start and end automatically. CATAPULT also lets us do chain-wide promotions just as easily.

ECRS: Are you using a hand-held terminal with CATAPULT?

Hudson: Yes. CATAPULT's hand-held terminal (HHT) serves us very well. For the rollout of our chain, we use the HHT to pre-scan each new store so that all items are in the CATAPULT system and scanning at the POS when we go live. We also use the HHT to do price spot checks and price changes. The mobile HHT unit is great because I can do inventory and price maintenance without tying up a stationary terminal.

Hutchinson: I used to work for Wal-Mart where having 70-75% of items scanning was considered good for a single location. Boone Drug item scanning percentage is in the high 90s, which I attribute almost exclusively to CATAPULT's hand-held terminal functionality.

ECRS: How do you rate ECRS as a retail solution provider?

Stacy: ECRS is great to work with. The company and the products have far exceeded our expectations. By selling us CATAPULT, ECRS has empowered Boone Drug to do things that we never imagined were possible.

ECRS: Would you recommend ECRS and CATAPULT to other retail pharmacies?

Stacy: Absolutely!

