

VARs EYE SLICE OF PIZZERIA POS BUSINESS

By Jennifer Lawinski

Corner pizzerias are getting IT makeovers, and solution providers are hearing the ring of cash registers.

Other than some big chains, the pizza industry has been a slow adopter of IT technology for its POS systems. But now VARs are springing up to offer customized high-tech POS solutions to pizzerias that include order input, delivery management, personnel scheduling and inventory tracking.

"We're bringing high-tech to a very low-tech industry, and it's a lot of fun to be around," said Tom Bronson, president and CEO of Diamond Touch, a Louisville, Texas-based VAR that focuses on the POS market.

With almost 64,000 pizzerias in the United States, the pizza industry raked in \$30 billion in sales in 2004,

according to the National Association of Pizzeria Operators. Those figures mean significant sales for VARs that can serve up custom POS systems.

Diamond Touch integrates touch screens, printers and other hardware with software produced in-house into a complete package for pizzerias. The company's midtier solution integrates custom software running on Dell computers with Planar's PT1500M 15-inch touch-screen LCDs.

When developing systems for pizzerias, durability is important, Bronson said. "Restaurant employees are pretty abusive on the equipment," he said. "In addition to the normal things, you find airborne problems like flour. I'm amazed at the number of different touch screens that move when you

touch them. That's something that you can't have in a restaurant environment."

In particular, Bronson said Diamond Touch uses Planar's displays because they can stand up to the demands of the pizzerias.

"A lot of people who get into the touch-screen environment make monitors but don't think about how they're going to be used," he said. "What we look for in any of our vendors is a good price, great reliability and great design."

Other solution providers said that custom solutions are the key to success in the pizza POS space.

"Everyone in the industry is demanding a program that will fit them like a glove," said Jeff Doyle, president of Revention, Houston. The fledgling POS company has set its sights on being the

top-selling POS solution provider in the pizza industry by next year.

Revention has put its pizza POS solutions in 285 shops since its inception in January 2005 and expects business to net \$5 million this year. During the Las Vegas Pizza Expo in March alone, the company booked over \$500,000 in sales of its Revention POS system.

"No one has exactly what you want," Doyle said, but he added that Revention could reach into new markets and dominate the pizza industry by being more easily tailored to the individual shop than competing packages.

Doyle said Revention has been working with Hungry Howie's Pizza, a Madison Heights, Mich.-based pizza chain. The chain currently has 516 pizzerias, 55 of which use the solution.

Doyle said referrals and the high number of family-owned pizza shops have helped his company's pizza business grow quickly. "I've seen in a lot of cases that the son's taken over or someone new is getting involved in the business, and they're seeing the advantage of having a digital environment," he said. "A lot of our growth has not been because of marketing, but it's been referral-based. People actually send us checks for \$18,000 [the average cost of Revention's POS solution] without even seeing the product."

Revention's solution integrates Elo TouchSystems



Diamond Touch software on a Planar touch-screen makes order selection easy.

touch screens and Dell Optiplex workstations with custom Visual Basic .Net software and SQL Server databases.

Vendors also are seeing the opportunities in the pizza industry and are working closely with VARs to develop custom solutions.

Steven Abramovich, vice president of sales and global marketing for the Americas at Elo, Menlo Park, Calif., said the company develops its displays specifically to be part of larger solutions. For example, displays have mechanisms to hide cords from customer view and rear placards for advertisements.

"Pizza is a good application," Abramovich said. "It's a pretty dynamic market for us."

Rob Baumgartner, director of operations and marketing at Planar, Beaverton, Ore., said the market is open for VARs that can offer new, custom solutions. "There are all of these new applications and new things that people want to do with their monitors, and it's a lot of smaller local integrators and VARs that are helping to build solutions with those products," he said.