



BFG & Pay By Scan—Again

You'll recall that back in July we brought up the topic of pay by scan at independents. Would it work? Who benefits and who bites it? Malmberg's Garden Center in Minnesota implemented pay by scan with their vendor BFG Supply and had seen some success with it. Would and could it expand?

I heard from the folks at BFG Supply that they will be formally rolling out a pay by scan program for IGCs at their lawn and garden show in Chantilly, Virginia, happening this week. It's not called "pay by scan," of course. It'll be known as BFG's "Stock Up" program. As VP of operations and technology Tim Gallagher says, "We saw an opportunity in the market to offer a service that would not only help our customers manage their inventory more effectively, but also create positive cash flow." Imagine, he says, not paying for products on your shelves until you've sold it. "This is a game changer for our customers."

This is for hard goods, not plants.

Consignment inventory is nothing new, Tim says, and while it's being used for plants in the industry, it hasn't really been adopted for hard goods. The program is meant to remove the risks of over-buying and carrying excess inventory.

Speaking of consignment inventory not being new, it appears BFG Supply has been testing its Stock Up program with more than 25 customers during the last three years, and they haven't had a single customer drop out.

We'll keep you posted on any further developments.

*This article is a reprint from Green Profit's Buzz eNewsletter - Oct 11th, 2012 edition