

Famima Gains U.S. Foothold

A wireless network sets the stage for future locations

By Deena M. Amato-McCoy

When Japanese convenience store chain, FamilyMart Co. Ltd., established a presence on U.S. soil, the retailer needed to conform to domestic IT solutions and standards—especially those associated with telecommunications networks. By leveraging its long-standing relationship with Fujitsu, FamilyMart has created a new brand across California that is primed to expand.

Tokyo-based FamilyMart Co., Ltd. operates a chain of convenience stores in Japan and overseas via franchising. With more than 6,700 stores in Japan, and about 5,700 stores outside of Japan, FamilyMart, a company with (U.S.) \$10.3 billion in annual sales, was ready to try its hand at a U.S.-based operation.

Upon setting up shop in the United States, FamilyMart targeted California for its newest brand, Famima USA. Since the chain's goal was to cater to middle- and upper-income shoppers, Famima quickly learned that it needed more than a good concept to ensure success.

"Since we are targeting a higher average household income, we were limited in the availability of locations," said Kaori Mori, manager of information systems, for the Torrance, Calif.-based Famima chain. "Once we pinpointed the ideal regions, the next challenge was conforming to different city regulations."

This included adhering to terms associated with creating a seamless network to support store operations. "Availability of data was critical," she said. "We also concentrated a lot on speed."

Famima based its IT infrastructure on the systems its parent company already successfully used in Japan. It also relied

on long-time technology partner, Fujitsu.

"Fujitsu is a telecommunications giant in Japan, and FamilyMart has a long-standing relationship with them," Mori said. "It was a natural progression to work with them as we came to the U.S."

Fujitsu Transaction Solutions, Frisco, Texas, supplied the store with two TeamPOS point-of-sale terminals running ISS45 open-platform POS software, from StoreNext, Plano, Texas.

The next step was to create a telecommunications network that would link its POS and other store systems with Fa-

level operations, in addition to filtering POS data to headquarters. For example, the configuration "supports wireless data terminals. The devices can create store orders, and process transactions immediately," Mori said.

The network also supports Famima's usage of StoreNext's Web-based Connected Services solution. "The service allows us to analyze data and trends, and generate sales reports that can be accessed online by both corporate executives and store managers," Mori explained.

With its network and store systems in place, the chain successfully opened its first 2,000-sq.-ft. store in Los Angeles in July 2005. This store also served as a template for the expansion of the chain.

"As we designed the first location, we created a template for our network plan. This way we didn't have to start from scratch and create a new network every time we opened a new store," she said.

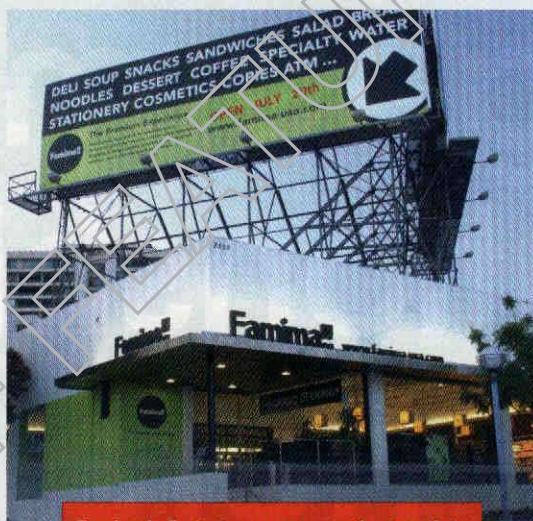
The only variable, based on availability, is whether each new store will use DSL or high-speed Internet service.

To date, the chain has 12 stores across California, and Famima is under way with expansion plans. "We plan to grow the chain to 20 stores by the end of 2007, and then we plan to begin franchising," Mori noted.

"We have an aggressive growth strategy over the next two or three years and IT is so important to our success," she said.

"As we look to franchise the brand, our current technology and networking configuration allows us to be agile," Mori concluded. "It allows us to grow the chain without increasing our support staff or administrative tasks." ■

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Famima's first store serves as the template for new store openings.

mima's corporate headquarters. By working with Fujitsu and local carriers, Famima chose to create a wireless telecommunications network.

Famima's store-level network can be constructed through high-speed Internet connections or DSL. All antennas and routers are supplied and installed by the local carrier. (Mori declined to reveal which configuration and local carrier the first store supports.)

Famima's network infrastructure is capable of supporting a variety of store-