

## **Project Profile**

# Suddath Provides Supply Chain FF&E Solutions to Chuck E. Cheese's for 23 Years and Counting

Suddath Global Logistics, a division of The Suddath Companies, has been a 3rd-party logistics partner (3PL) for CEC Entertainment, Inc. d/b/a Chuck E. Cheese's for 23 years, providing services ranging from transportation and warehousing to final mile delivery and installation.

Suddath<sup>®</sup> talks to Mahesh Sadarangani, Chief Administrative Officer for CEC Entertainment, regarding its experience partnering with Suddath.



"You provide transportation, you set up labor, you set up returns, and then most importantly your customer service is hands down one of the best I've seen in the industry."

Mahesh Sadarangani,
Chief Administrative Officer,
CEC Entertainment



# What CEC Entertainment Looks for in a 3PL Provider

Sadarangani explains the importance of having flexibility to meet their changing needs. "Games are huge to our business. Kids come to Chuck E. Cheese's to have fun, play games, earn tickets, and with those tickets earn prizes," said Sadarangani. "It's really important that we have the right games for our core audience, which are kids ages three to eight. Wanting to put the best games in the right areas means a sliding scale for priorities from year to year, and determining whether that results in more money being spent on refreshing more stores or investing in the newest games."

He goes on to say that efficiency is key. "We try to be as efficient as possible by grouping markets," Sadarangani said. "Take for example the Dallas/Ft. Worth (DFW) market where we have 18 stores across the whole area. When we do game enhancements, or GE's, we try to do those all in the same timeframe – maximize spend on games and minimize spend on shipping."

Sadarangani explains that it's more efficient to do groups of stores at one time, as opposed to doing one-offs in different regions. This does mean, however, that there are a lot of logistics to handle in ensuring that a game enhancement project covering many stores in one region happens quickly, with minimal impact on store operations.



### Working as an Embedded Partner

Suddath supports multiple strategies for these store refresh and game enhancement projects, and CEC has relied on its partner of 23 years for logistics planning that follows this business strategy. The team at Suddath has moved CEC through everything from natural disasters, complex metropolitan deliveries, to handling cumbersome 10-foot games with care.

Understanding CEC's business vision, goals and process is key for the Global Logistics division to engineer solutions of space, labor and equipment taking into consideration time constraints. That understanding comes not only from over two decades of partnership, but through having dedicated crew members assigned to each CEC project.

You've been so experienced – we're seeing the same employees from your company doing these GE's. You have a lower turnover than most in the industry.



-Mehesh Sadarangani

The typical game enhancement process takes place on a tight six-hour timeline, exchanging games at a location by engaging three air-ride vans organized by the number of old and new games being moved. Then, those extracted games either go into warehousing space or are transferred /upcycled to different store.

#### On the Job with Suddath

"I've had the pleasure of doing game enhancements with the Suddath crew and I have to tell you I've been overwhelmingly impressed," Sadarangani said. "I woke up at four in the morning, went out to the store, and I wanted to learn exactly how it was done."

Sadarangani comes from a logistics background, having worked at a 3PL trucking company prior to his joining CEC in 2014.

"I know trucking pretty well, and I'll tell you I was very impressed with what I saw on the day of the game enhancement," he said. "What's key in our relationship with Suddath is you've got to really have efficiencies and time processes laid down such that when a truck comes in with used games or new games, another truck's already going out with the transfers."

He adds, "The ease in which Suddath orchestrates that planning I thought was very impressive. Especially as we do at least 250 of these a year, you can see that it would be cumbersome. But the way Suddath has got it down – they really understand our business. It's important that we have that timely efficient process and they've definitely nailed that."

Sadarangani learned a lot that day working with the three Suddath crews on the game enhancements, not only about the significant amount of planning required on Suddath's end, but about the influence and impact safety has on an operation like that.

"They walked me through the safety measures, and it was good to see that spirit, because at my old trucking company...the number one thing we really cared about was safety, and I could tell the crew I worked with that day was definitely focused on that."

#### **Scalable and Customized Services:**



Transportation and Final Mile Delivery



Warehousing and Distribution



Installation Services



Planning and Budget Oversight

## **Measuring Success**

Sadarangani measures the success of an FF&E partnership by three main pillars:

**Safety**: "We track that very closely at our warehouse, and your safety record combined with ours has been excellent. That's number one for me when you talk about anything related to logistics."

**Budget:** "Suddath is tracking our spend and how many jobs we do current year versus prior year. Based on our budget, we continue to be in line with our forecast which is what we want to see."

**Customer Service:** "Your customer service continues to be, I honestly think, one of the best of all the vendors I deal with across Chuck E. Cheese's. I have never had an issue, and minor problems are resolved in a timely fashion, and everyone moves on so that we can continue with the overall business so that kids can have a great time."

Sadarangani believes the individual people on the Suddath team are the driving factor for high customer service, such as his single point of contact, Steve Goode, who has been on the account for the life of the engagement. "Steve is amazing." he said, adding, "There's another person on your team, Kat Hooks ... she leads our team and her customer service is a 10/10. Those kinds of things are very important to us."

He goes on to explain why customer service is so important in logistics work, "Game enhancements don't always go the way we want them to. Projects begin at 4 a.m. to be finished working in the store by 10 a.m. when it opens," he said. "Even when there are delays, whether it's weather, traffic, whatever it may be, your customer-focused crew takes extra precaution when our guests are coming through the door with the kids."



