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SOFTWARE

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BFC acquisition rounds out its food industry logistics services ?

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BFC Software Inc. a leading provider of warehouse management software for food distribution, acquired Herlitz Inventory Management, a leading provider of demand forecasting and replenishment software. The two companies will combine to form a comprehensive, purpose-built operations platform for food distributors in North America and beyond.



“We are thrilled to join forces with Carl and the Herlitz Inventory Management team,” said Will Collins, CEO for BFC. “The Herlitz name has been synonymous with powerful demand forecasting, optimized replenishment, promotional buying and forward buying for decades. Our two companies have enjoyed mutual customers, a long-standing relationship, and our values and commitment to exceptional service made this a perfect fit. We are both purpose-built for food distribution and know our products can work better together to help food distributors achieve peak profitability and efficiency.”

As part of BFC’s strategy for growth, Herlitz was identified as a natural target due to its deep experience and knowledge of the food distribution industry. It has been a pioneer in delivering daily demand forecasting which works particularly well in the perishables space, and allows food distributors to respond more quickly to change in customer demand and shifts in the supply chain.

By better forecasting demand, food distribution customers see an increase in service levels along with a reduction in on-hand inventory. Better coordination between the buying team and warehouse can free up critical space as well. Less inventory on hand opens up shelves to carry additional SKUs or serve more customers. This provides critical operating leverage for food distributors and drives significant margin improvement.

“Connecting the buying process with the warehouse has always been at the heart of our

software,” said Carl Herlitz, president and CEO of Herlitz Inventory Management. “We have deep respect for the BFC Software team and their 30-year track record in warehouse operations. We are excited to partner together, and we’re confident our customers will benefit from even more ways to optimize their operations.”

?Bringing together bootstrapped technology companies like BFC and Herlitz represent terrific opportunities to invest in specialized, industry driven companies and focus on rapid growth through acquisitions, product development and team buildouts.

?“Bootstrapped vertical-market leaders like BFC can rapidly accelerate their growth by deepening both their product offering and their customer base through acquisitions like Herlitz,” said Brian Shortsleeve, co-founder and managing director of M33 Growth. “We enjoy working closely with our CEOs and their teams to identify, negotiate and close strategic acquisitions and we are thrilled to support BFC in their continued growth.”

Looking ahead, BFC is on a path to nearly double its headcount and revenue this year and will continue to build out its integrated offering for food distributors. One particular area of focus has been on pending FSMA and related food traceability regulation coming January 2026. The law, as it is currently written, would require broadline distributors to scan products individually as they work their way through the warehouse, which would be fundamentally cost prohibitive for most distributors.

?In conjunction with leading industry partners, BFC has taken a leadership role in submitting a probability-based approach to the FDA which would satisfy compliance without disrupting day-to-day operations. Approval of this approach would result in massive savings for the industry.

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