

The Amax Story: How a Multimillion Dollar Distribution Company Implemented Microsoft Dynamics GP® in Just 12 Weeks with Zero Interruption to Customers



Customer:
Amax, Inc.

Website:
www.BostitchOffice.com

Location:
East Greenwich, Rhode Island

Industry:
Distribution

Customer Profile:
Formerly the office products division of Stanley Black & Decker, Amax is the exclusive developer and distributor of Stanley Bostitch staplers, hole punchers, and home and office hand tools in the United States.

Highlights:

- Rapid Implementation
- Increased Efficiency
- Improved Cash Flow
- Better Inventory Visibility
- Faster Order Entry
- Access to Accurate Real-time Data and Reporting

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Because of Dynamics GP we function more efficiently across all departments. This equates to getting more done with fewer people so we can focus on areas that drive revenue. We are performing better than ever before and you can see that in our sales results.

*Gary Blanchette, Executive Vice President
Amax*



The Challenge

When Amax, the office products division of Stanley Black & Decker, decided to spin off as a separate company and announced that it would have a new ERP system implemented in 12 weeks, with no interruption to its multimillion dollar distribution business, many told Amax it could not be done. The company's goal was to shut down the Stanley systems on Friday and start processing orders and shipping products from the new Amax systems on Monday. Any delay would have been catastrophic to its new business. At the same time, Amax had to keep operations running, find a new CFO, set up two new distribution centers, and renegotiate a multi-year contract with one of its largest customers.

AMAX needed an out-of-the-box ERP solution that could be implemented quickly without a lot of customization but that could still handle the complexities and volume of a distribution business of its size.

Amax selected Microsoft Dynamics GP as the core financial system with vSync for EDI and SalesPad for sales and customer service users. To speed up the process and eliminate overhead, Amax chose to implement the entire system in a hosted environment at a local Connecticut data center. To meet its aggressive time schedule, Amax needed to rely on a strong partner to manage the ERP implementation project from start to finish. After a thorough evaluation it chose to work with CAL Business Solutions, a Connecticut Microsoft Dynamics GP partner.

Three key Amax executives talk about their experience:

- Gary Blanchette, Executive Vice President
- Joe DeRita, Director of Channel Management
- Brian Leroux, Director of Finance and Accounting

Why Dynamics GP?

"We wanted an ERP system that would allow the business to operate more efficiently with a smaller team so that we could maintain our laser focus on things that drive revenue such as new product development, sales, and marketing."



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Some partners had all the buzzwords, but when speaking with CAL we thought, ‘These are really “nuts and bolts type” guys’. They had a history of implementations, a structured approach, and the resources to get it done on time. We explained to CAL how we wanted it to work, and they made it happen very quickly. The competency of our Dynamics partner was key to the success of our project.

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*Gary Blanchette, Executive Vice President
Amax*

“Because we lack significant resources for large IT projects, we needed a solution that we could implement quickly by using out of the box functionality. We also sought a solution that had a low learning curve and could handle volume commensurate with our annual sales. We looked at SAP Business One, Netsuite, and Microsoft Dynamics GP. Based on advice from our former colleagues at Stanley Black and Decker who had experience with those systems, and what we saw from CAL Business Solutions, we decided that Microsoft Dynamics GP would best fit our needs.”

Why CAL Business Solutions?

“We looked at several Dynamics partners. Some had all the buzzwords and platitudes, but when speaking with CAL we thought, ‘These are really “nuts and bolts type” guys’. They had a history of implementations, were very organized in their structure and had the resources to make the project work and get it done on time. CAL Business Solutions was the right fit. Since we were a spinoff, the CFO position was open, so we needed more support than the traditional install. We needed guidance on setting up financial structure, operations, inventory and how that would flow into the third party logistics provider. CAL had certain individuals on their team with expertise in those areas. We explained to CAL how we wanted it to work, and they made it happen very quickly. The competency of our Dynamics partner was key to the success of our project.”

Why “In The Cloud”?

“The hosted solution reduced our upfront costs and helped us to get up and running faster; and it offers tremendous flexibility. Working in the cloud means we

can access it from anywhere in the world and work remotely much more efficiently. We flipped the switch 2 years ago and it has worked ever since with no downtime.”

The Solution: Microsoft Dynamics GP with vSync & SalesPad

Using the right ISV add-on products to complement the core Dynamics GP financial functionality was critical to the success of this project.

vSync

Amax chose vSync as its EDI solution to integrate with third party logistic warehouses and to manage a high volume of daily orders from major customers such as Amazon.com, Office Depot, OfficeMax, and Staples. Each of these customers creates purchase orders on their own systems. These purchase orders are sent into Dynamics GP. Each major customer has specific reporting requirements. Amax is able to easily produce these customized reports with the Dynamics GP system.

SalesPad

The Amax team comments on the top benefits of using SalesPad with Dynamics GP:

Access Information: “With SalesPad the sheer amount of information shown on one screen is so helpful. When you are on the phone with a customer you can answer questions quickly without switching screens or calling other departments. For customer service it is easy to enter orders, move data around, and find customer info.”

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We can quickly look up sales data, inventory, and business metrics. It's a stark contrast to when we were a division of Stanley Black and Decker and we commonly had to access four systems to get a complete picture of what was going on.

Joe DeRita, Director of Channel Management
Amax

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Monitor Inventory: “It is very easy to search for items, see what we have on hand, what is coming in, what is on order, and where inventory is allocated. Backorders and other issues are easily resolved. Everyone can see new purchase orders and when shipments are due in their warehouse.”

Analyze Real-time Data: “With very little customization we have detailed reports that we never had before, and in real time. We can quickly look up sales data, inventory, and business metrics to see how new products are performing and follow trends to make better business decisions. We trust the system and the data that is in there. It's a stark contrast to when we were a division of Stanley Black and Decker and we commonly had to access four systems to get a complete picture of what was going on.”

Calculate True Costs: “Using GP and SalesPad we can control erosion of our margins because we know our true inventory cost. By making this visible to the whole team we can make precise pricing decisions with a customer because we know we are working with accurate data. This is something other distribution companies struggle with.”

Accelerate Order Processing: “SalesPad allows us to process multiple orders quickly. Now we can monitor and process EDI orders while taking fax orders and phone orders, all at the same time.”

Communicate Effectively: “SalesPad gives us 360 degree visibility. Information is no longer locked within separate departments. For example, our AR clerk can write notes in the system and the sales team can see if

the account is on hold, the pay history, what the customer bought and when.”

Solidify Customer Relationships: “Our sales team can quickly prep for meetings without wasting time. We have real-time analysis to support our sales propositions, whether it is a new promotion, product mix suggestions, or our position in pricing negotiations. Often we can get our customers better data about their business than they can. They have confidence we are on top of what is happening in the marketplace and in their business and this makes us a better partner. That is pretty impressive and a lot of our competitors simply don't have access to that type of data.”

Benefits

The Amax team comments on the key benefits from their new Microsoft Dynamics GP system:

Rapid Implementation: “Our customers were very impressed that we could implement a new ERP system in 12 weeks – and with zero interruption to our business. This was largely due to CAL. They had a great project plan and structured approach and worked well with us as a team during a stressful time period for our company. The straightforward design and structure of Microsoft Dynamics GP also played an important role. It truly went off without a glitch.”

“AMAX had a drop dead go live date. We understood that and we went the extra mile for them,” says John Dileo, Project Manager, CAL Business Solutions.

About CAL Business Solutions

CAL Business Solutions is a Connecticut Microsoft Partner focused on Dynamics GP (Great Plains) financial management/ERP systems. The company offers implementation, data conversion, customization, training and support to over 200 customers in 16 states.

- Serving customers since 1982
- Dedicated in-house development team
- Dynamics GP training center
- Seven-time Microsoft Dynamics President's Club Member, recognizing the top 5% of Dynamics Partners worldwide
- Leading SalesPad implementation partner

"Because of our deep distribution industry experience we were able to help Amax put together a system that fit their requirements and could be done quickly and in a cost effective way. We feel our strength lies in looking at a unique situation and coming up with a solution that fits the client."

*George Mackiewicz, President
CAL Business Solutions*

Download a Free ERP Pricing Guide at:
www.calszone.com/30questions

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*Brian Leroux, Director of Finance and Accounting
Amax*

Real-time Data: "Access to accurate real-time data is probably the best thing about the Dynamics GP system. We can feed information into dashboards and quickly get a pulse on what is happening in the market. This helps us evolve our strategic and tactical plans. It has made us far more proactive to our customers' needs and is a real competitive advantage."

Improved Cash Flow: "The collections management functionality helped Amax reduce days of sales outstanding by more than 30 days to a record low, which translates to significantly improved cash flow."

99% Service Levels: "Our goal was to deliver a high fill rate with minimal inventory and Dynamics GP allows us to do that. We now maintain 99% service levels with all our customers while driving a very high working capital turnover."

Zero Downtime: "Using a cloud based system means we can access data from anywhere in the world. It is critical that we can rely on the system. It has been two years since we flipped the switch and we have had no downtime. We trust the system to give us accurate reliable information every day."

Increased Profitability: "Dynamics GP helps us from an overall business decision-making standpoint. We run lean. We know our true cost of inventory. We can make business decisions quickly and this affects our margins, cash flow, and overall profitability of the business."

Unprecedented Efficiency: "Because of Dynamics GP we function more efficiently than we ever have across all departments. This efficiency equates to getting more done with fewer people so that we can move others to areas that drive revenue growth. We are performing better than ever before and you can see that in our sales results."

With the help of CAL Business Solutions, Amax achieved its goal. Amax implemented Microsoft Dynamics GP in 12 weeks flat and it has been running smoothly in the cloud ever since.

www.calszone.com/distribution

