



At a Glance

I.T. Xchange

Industry

Resale computer retailer

Employees

80 employees

Headquarters

Oakville, Ontario

Solution

Epicor for Distribution

Business Challenge

Disjointed software applications created inefficiencies and excess expense across the enterprise

Solution

Enterprise-wide software system that could provide better inventory tracking and improved contact and customer relationship management

Business Benefits

- Seamless inventory control through elimination of manual paper-driven processes
- Time savings in product pick and ship at warehouse
- Improved productivity in sales force and remote workers

Return on Investment

- Inventory shrinkage down to nearly zero from 3%
- On-time shipping improved to 99% from 76%
- Saving 320 man hours and \$25,000 annually through automated inventory count
- Month-end reporting reduced to 1 hour from 2 days

From front to back, I.T. Xchange Inc., is all Epicor, all the time. Whether a salesperson is entering a new order, a warehouse worker is packing a shipment of computers or an office manager is printing out a performance report, the Epicor for Distribution solution is powering the activity. That's exactly how the Oakville, Ontario-based company wants it. " "We're tied very closely to Epicor and its solutions," said Michelle Micuda, chief operating officer for the reseller of new, discontinued and refurbished personal computer technology from market leading manufacturers like IBM and Compaq.

Since opening its doors in 1996, I.T. Xchange relied on integrating several different types of software and hardware to handle its financial, distribution and customer relationship management functions within its multi-location network. This created inefficiency within the company and sought a software solution that could bring together their disjointed data and business processes.

I.T. Xchange had a few very straightforward objectives for its new enterprise software solution including achieving increased visibility across the enterprise by implementing a solution with integrated financial, distribution and customer relationship management functionality. The company also needed to improve its level of operational efficiency by increasing on-time delivery, speeding up monthly reporting, improving inventory control and eliminating redundant data entry.

After a thorough evaluation of systems from companies Epicor, Microsoft Great Plains, and others, I.T. Xchange decided that Epicor for Distribution would besthandle the firm's inventory processes. "We saw a good fit with Epicor," said Micuda. "Plus, we wanted a company that already had an e-commerce solution under development, and Epicor did."

Streamlining End-to-End Processes

Nearly all of I.T. Xchange's 80 employees are impacted by Epicor's solutions on a daily basis. Working from 74,000 square feet of distribution and office space in Canada, the United States, the U.K. and Barbados, employees use Epicor for Distribution for CRM, financial management and warehouse management. According to Micuda, Epicor's warehouse management solution produced the company's first noticeable ROI. Prior to installation, warehouse workers and sales reps relied on serial numbers scrawled on labels and paper reports for tracking. Transposition of numbers and lost papers were common and made finding the correct product at the time of sales order shipment very challenging.

I.T. Xchange had no system for bin control. Locating product inside 28,000 square feet of warehoused inventory – for which the company accepted orders up until 3:00 p.m. for same-day shipping – was a chore that only became more difficult as the company grew. "We were left with a very short period of time to locate product in a large warehouse," said Micuda. "The inability to find product on a timely basis resulted in poor on-time shipping, as well as inventory write-offs and then subsequent write-ins during physical inventory counts."

With Epicor for Distribution, inventory control is now seamless. "Using full bin control throughout our multiple warehouses, our ability to locate product and pick and ship orders on a timely basis improved dramatically," said Micuda, adding that all inventory is now received into the system directly at the loading docks, thus eliminating the need for handwritten part numbers and serial numbers.

Measuring the Results

Along with its in-house staff, I.T. Xchange's remote users also have benefited greatly from the Epicor implementations. The Microsoft SQL Server database instantly increased response time and allowed the company to provide those employees with information from any remote location via high-speed communications.

Sales force productivity is also higher, as the sales team now works from central information source instead of the multiple disparate databases previously used. Micuda estimates that the integrated CRM system has saved about one hour per day for sales representatives, and has also resulted in increased sales.

Using Epicor for Distribution, the company's financial department now takes an hour to close out inventory for month-end reporting – a process that once took nearly two days. "The time savings means we have a one-and-a-half to two days of extra product shipping, rather than administrative holdup while we update the inventory system," said Micuda.

Before Epicor for Distribution, I.T. Xchange's inventory shrinkage was about 3 percent. Today, that number is almost zero. In addition, on-time shipping has improved from 76% to 99%. "Our inventory count procedure improved dramatically when we eliminated paper tags/data entry and moved to a scanning/bingo dabbing count," said Micuda, adding that the company previously took three days, 40 people and \$25,000 to count inventory semi-annually. "With Epicor for Distribution, it only needs to be done once a year, and the system and our network allow us to simultaneously count inventory in three countries."

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Michelle Micuda, COO

I.T. Xchange

About Epicor

Epicor is a leading provider of enterprise business software solutions to the midmarket and divisions of Global 1000 companies. Founded in 1984, Epicor serves over 20,000 customers in more than 140 countries, providing solutions in over 30 languages.



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