



Epicor Success Story

Arnold Oil Company of Austin

Leverages cutting-edge Epicor technology to help manage critical processes

Company Facts

- ▶ Location: Austin, Texas
- ▶ Industry: Automotive
- ▶ Number of Stores: 30
- ▶ Employees: 325
- ▶ Website: www.arnoldoil.com

Success Highlights

Challenges

- ▶ Staying competitive with big chains
- ▶ Effectively controlling costs

Solution

- ▶ Epicor Ultimate®
- ▶ Epicor® The Paperless Warehouse™
- ▶ Indago™ Warehouse Management System from JMO™ Systems

Benefits

- ▶ Saves \$200,000 annually in receiving orders
- ▶ Gets merchandise on shelves quickly and efficiently
- ▶ Improved bottom line



Staying competitive is an everyday challenge

Arnold Oil Company of Austin is the leading independent automotive wholesale distributor in South-Central Texas. Retaining that position means ensuring that it is the most dependable, most accurate, and easiest distributor to do business with.

To turn that objective into a reality, Arnold Oil leverages cutting-edge information technology to help control costs, manage critical processes, and meet strict efficiency benchmarks such as the amount of time it takes personnel to get parts from the receiving dock to warehouse shelves. Recently, Arnold Oil deployed Indago Warehouse Management System from Epicor partner JMO Systems.

"It's an everyday challenge to compete with big chains like O'Reilly® and AutoZone®," said Kenneth Hess, operations officer at Arnold Oil Company of Austin. "The big box stores have huge operating budgets that permit them to keep larger quantities of safety stock on the shelves. Indago enables us to get merchandise to the shelves quickly and efficiently. Therefore we can keep our inventory thinner in a lean-warehouse operating model."

Hess explained that these kinds of business process improvements directly impact Arnold Oil's bottom line. "With Indago, the amount of time we spend receiving large orders has dropped from four or five days down to approximately 24 hours," said Hess. "And that's merely one example of the improvements our new system delivers. The enhanced productivity we're seeing from Indago based on the available manpower translates to a cost savings of \$200,000 annually."

A natural migration

Arnold Oil has depended on Epicor Ultimate to manage and coordinate its operations since 1992. The company has used Epicor The Paperless Warehouse (TPW) in conjunction with Epicor Ultimate since 1999. Hess and other company administrators recently decided to migrate from Epicor TPW to Indago at Arnold Oil's Austin facility and to replace paperbased processes with Indago at its Houston facility.

"Epicor TPW has demonstrated year after year how warehouse management technology can improve our operations," said Hess. "We knew JMO is an Epicor partner and that Indago would integrate seamlessly with our Epicor Ultimate system. Indago offered some inventory modules and functionality that we desired. So it was a natural migration for us."

Currently Arnold Oil has 37 Indago users. New personnel can get trained and comfortable with the system in half a day. "The application is easy to understand," said Hess. "On-screen directions guide users through the system."

Inbound and outbound logistics

One of the ways Arnold Oil preserves its position of market leadership is by consistently getting accurate orders to its customers on schedule. Indago's order fulfillment application

effectively manages every stage of this process. The system can color code orders based on priority. Hess' team fine-tuned it to automatically assign green, yellow, or red indicators to orders over a 30-minute interval.

During the first 20 minutes from the time an order is placed, it is presented in green by the system. From 20 to 25 minutes, it is displayed in yellow. "If it goes red, we pull all hands on deck to get the part pulled and shipped," said Hess. "That's one way Indago helps us meet our benchmark metrics – and more importantly, satisfy our customers."

In the receiving department, Indago offers a feature called Dock-to-Stock that tracks the time it takes stock to go from trucks at the receiving dock to warehouse shelves and accounted for as received inventory in Epicor Ultimate.

The system provides real-time communication between workers and enterprise operational data. Warehouse personnel use mobile computers with 802.11 wireless technologies to scan barcodes on received stock. Scanned barcodes automatically update the Indago database, and data is seamlessly conveyed to Epicor Ultimate.

Reports help managers optimize business practices

Indago software provides Web-based reporting that delivers valuable business intelligence. Managers at Arnold Oil use metrics from those reports to get an overview of how efficiently the business is running and how well staff is adapting to challenges. For example, using Indago's Part History Detail Report, management can track every move a part makes through the business—including who put a part on the shelf, when he or she did it, if it was put out of place, why, who overwrote it, and what time they did so.

"With Indago software, the amount of time we spend receiving large orders has dropped from four or five days down to approximately 24 hours. The enhanced productivity we're seeing from Indago based on the available manpower translates to a cost savings of \$200,000 annually."

Kenneth Hess, Operations Officer | Arnold Oil Company of Austin

Using technology to move the business forward

Arnold Oil's future plans for Indago include utilizing its ability to perform cycle counting of inventory. With cycle counting, Arnold Oil's inventory will be counted throughout the year providing an ongoing gauge of inventory accuracy and eliminating the need to halt operations for a weekend to do an annual physical inventory count.

"We are a very pro-IT company," said Hess. "We depend on technology from Epicor and its partners to help us become ever more efficient and operate leaner than our competitors while giving our customers the best service possible. Indago is flexible and easy to use. If we ever have questions, JMO support staff is always very responsive. Overall it has been a big win for us."

About Epicor

Epicor Software Corporation drives business growth. We provide flexible, industry-specific software that is designed around the needs of our manufacturing, distribution, retail, and service industry customers. More than 40 years of experience with our customers' unique business processes and operational requirements is built into every solution—in the cloud, hosted, or on premises. With a deep understanding of your industry, Epicor solutions spur growth while managing complexity. The result is powerful solutions that free your resources so you can grow your business. For more information, [connect with Epicor](#) or visit www.epicor.com.



Contact us for more information on Epicor Products and Services

+1.888.463.4700 automotive.marketing@epicor.com www.epicor.com

Corporate Office
804 Las Cimas Parkway
Austin, TX 78746
USA
Toll Free: +1.888.448.2636
Direct: +1.512.328.2300
Fax: +1.512.278.5590

Latin America and Caribbean
Blvd. Antonio L. Rodriguez #1882 Int. 104
Plaza Central, Col. Santa Maria
Monterrey, Nuevo Leon, CP 64650
Mexico
Phone: +52.81.1551.7100
Fax: +52.81.1551.7117

Europe, Middle East and Africa
No. 1 The Arena
Downshire Way
Bracknell, Berkshire RG12 1PU
United Kingdom
Phone: +44.1344.468468
Fax: +44.1344.468010

Asia
238A Thomson Road #23-06
Novena Square Tower A
Singapore 307684
Singapore
Phone: +65.6333.8121
Fax: +65.6333.8131

Australia and New Zealand
Suite 2 Level 8,
100 Pacific Highway
North Sydney, NSW 2060
Australia
Phone: +61.2.9927.6200
Fax: +61.2.9927.6298

The contents of this document are for informational purposes only and are subject to change without notice. Epicor Software Corporation makes no guarantee, representations or warranties with regard to the enclosed information and specifically disclaims, to the full extent of the law, any applicable implied warranties, such as fitness for a particular purpose, merchantability, satisfactory quality or reasonable skill and care. This document and its contents, including the viewpoints, dates and functional content expressed herein are believed to be accurate as of its date of publication, March 2015. The usage of any Epicor software shall be pursuant to the applicable end user license agreement and the performance of any consulting services by Epicor personnel shall be pursuant to applicable standard services terms and conditions. The results represented in this testimonial may be unique to the particular customer as each user's experience will vary. Usage of the solution(s) described in this document with other Epicor software or third party products may require the purchase of licenses for such other products. Epicor, the Epicor logo, Ultimate, and The Paperless Warehouse are registered trademarks of Epicor Software Corporation in the United States, certain other countries and/or the EU. O'Reilly is a registered trademark of O'Reilly & Associates. AutoZone is a registered trademark of AutoZone, Inc. All other trademarks mentioned are the property of their respective owners. Copyright © 2015 Epicor Software Corporation. All rights reserved.