



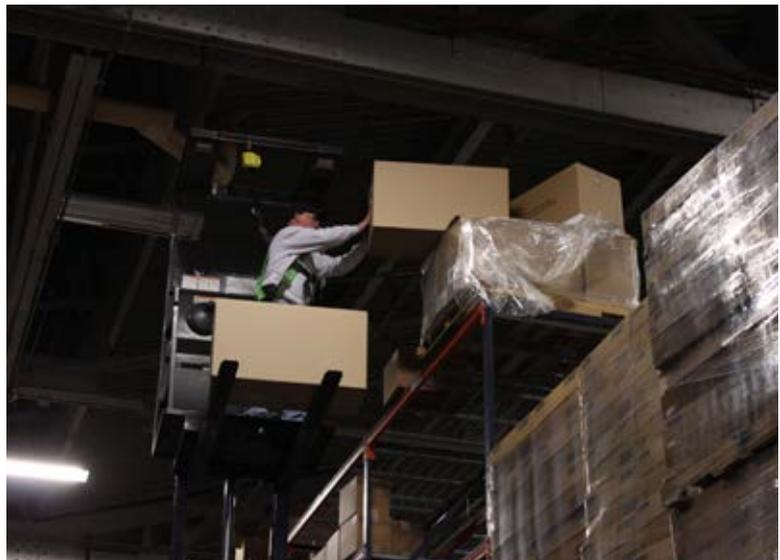
Epicor Success Story

Philip Rosenau Co. Inc.

Distributor improves workflow and margins with Epicor Prophet 21

Company Facts

- ▶ Location: Warminster, PA
- ▶ Industry: Janitorial/sanitary maintenance supplies
- ▶ Number of Employees: 75
- ▶ Web site: <http://www.philiprosenau.com>



Success Highlights

Challenges

- ▶ Provide a Northeast jan/san distributor with the business data, flexibility, and visibility into pricing to support growth.

Solution

- ▶ Epicor® Prophet 21® with Strategic Pricing

Benefits

- ▶ Gross margins are up 2% while using Strategic Pricing
- ▶ Saved time in managing manufacturer price increases
- ▶ Flexibility to modify and customize forms, screens, and fields in the system
- ▶ Seamless integration with third party applications

Philip Rosenau Co. Inc. is a diversified distributor of sanitary maintenance supplies and equipment that has been supplying cleaning solutions to the janitorial industry for nearly 60 years. Serving Pennsylvania, New Jersey, Delaware, Maryland, and Washington, D.C., the company employs 75 people in three offices, including a 65,000-square foot distribution center in Warminster, Pennsylvania, and two satellite offices and warehouses in West Chester, Pennsylvania, and New Castle, Delaware. In addition, a complete repair service center is located in the Warminster office to maintain and repair all types of janitorial equipment.

Since going live on the Epicor Prophet 21 enterprise resource planning (ERP) solution in March 2013 (after migration from a legacy product), Philip Rosenau is able to provide and support numerous technologies including online ordering and usage reporting, third party electronic ordering and invoicing, consolidated billing, and detailed task analysis to help identify specific labor-saving opportunities for its customers.

According to Scott Holland, Executive Vice President, "It was difficult to get data out of our previous system to manage the business. We wanted to move from the legacy platform to a more modern, up-to-date, Microsoft® SQL-compatible system that would have the ability to grow with us. After we narrowed down our choices to three ERP providers, we researched customer references. The positive testimonials we heard from Epicor Prophet 21



customers sealed the deal—those distributors had already blazed the trail for us. And Prophet 21 was the best-looking product we looked at, with robust features.”

Transitioning to a more flexible, modular ERP

The data conversion and overall ERP implementation went very smoothly, reports Holland. He recalls, “We hit the ground running. It could not have been an easier, more logical transition. Epicor Prophet 21 was ready to go out of the box, without a lot of customization required. An Epicor Project Manager helped lead the implementation process, getting everyone prepared, and the Learning Management System (LMS) guided us through the adjustment to the new look and feel of the system, so people became acclimated to it fairly quickly.”

Today, Philip Rosenau employees can modify forms (such as pick tickets, invoices, etc.) and build custom portals within the ERP system. “We appreciate having more choices and flexibility with Prophet 21,” explains Holland. “We can add fields, move/resize items, and create customized invoices for customers that request them. And with DynaChange®, we can customize screens to make our workflow more efficient. We also like the Master Inquiry screens—they make it very convenient to look up information.”

He adds, “Because we have four service techs on the road, plus our in-house maintenance service techs, the Service and Maintenance module has been very valuable to us.”

Focus on pricing improves margins

Holland notes that the Epicor Prophet 21 pricing service template helped Philip Rosenau considerably with pricing, which is not typically standardized in jan/san distribution. “Prophet 21 saves us countless hours in managing manufacturer increases,” he states. “With the previous system, item costs had to be changed manually, which was very cumbersome, considering there are more than 50,000 items we can supply.”

In addition, Philip Rosenau has made effective use of Strategic Pricing, a pricing architecture based on the principle that there are many small margin opportunities which, in aggregate, can yield 2-4 percent in additional pricing margin points for the distributor. It involves detailed segmentation of a distributor’s customers by size (from “tiny” to “huge”) and type (“core” and “non-core”), profiling of their price sensitivity, analysis of past pricing performance, definition of new pricing standards, and development of metrics to support pricing processes and compensation. Recognizing the value that strategic pricing would provide to distributors, Epicor formed an exclusive relationship with Strategic Pricing Associates (SPA) to seamlessly integrate a strategic pricing module into its Prophet 21, Eclipse, and Prelude products.

According to Holland, “The Strategic Pricing module has improved our gross margins by about 2 percent, enabling us to recoup our investment quickly; it essentially paid for the whole Prophet 21 implementation process in about a year. The

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Scott Holland, Executive Vice President | Philip Rosenau Co.Inc.



integration of Strategic Pricing and Prophet 21 was so easy; we could automatically generate sales data for SPA's analysis, and then import their files back into the ERP. Best of all are the security and approvals levels that are built in, so we have complete visibility and can analyze and control pricing changes and/or exceptions."

Holland concludes, "We have been very pleased with our Epicor Prophet 21 implementation. We went live on time and under budget. Moving to a SQL database has enabled seamless integration with our third party applications that generate our rebate reports, customer purchase analysis and customer profitability analyses. And Epicor Technical Support has been terrific—sharp and responsive."

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.



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