



Epicor Success Story

Grove Medical, Inc.

Growing medical distributor positions itself for success with Epicor Prophet 21

Company Facts

- ▶ Location: Greenville, South Carolina
- ▶ Industry: Medical
- ▶ Number of Stores: 1
- ▶ Web site: www.GroveMedical.com



Success Highlights

Challenges

- ▶ Support the expansion of a successful medical distributor with Enterprise Resource Planning (ERP) software to handle rebates, backorder fulfillment and online sales

Solution

- ▶ Epicor Prophet 21

Benefits

- ▶ Inventory adjustments reduced by 60 percent within six months of implementation
- ▶ Company revenue increased 8.5 percent within six months, without any additional employees
- ▶ Internet sales increased 5 percent
- ▶ About 6 percent more captured on freight charges to customers
- ▶ Orders stay open for no more than one or two days

Grove Medical Inc. began distributing medical supplies, equipment and services to meet the needs of the long-term care marketplace in 1988. The company has since grown to about 65 employees.

According to Chief Financial Officer Melissa Selig, a few years ago, Grove Medical had reached a point of success where new software was needed in order to continue as a company. "We knew for quite a while that we needed to implement new ERP software—we had had the same software for more than eight years. Everything we had was a workaround, and we could not even tell what our true gross margins at the customer level were without a tremendous amount of manual work," she states.

The Greenville, S.C., medical supply company went through a comprehensive search for an ERP partner that could provide everything they needed to expand and succeed. "Epicor won out for a few reasons; most importantly, the ability of the Prophet 21® system to handle the rebates that are so vital in our industry. All of the other software programs we looked at would have needed to customize this piece for us, whereas Epicor already had it tested and ready to go. We receive rebates back from our vendors (reducing our cost of goods sold) to the tune of approximately 10 percent of our gross revenue, so having the software correctly set up to handle this is essential to our profitability," says Selig.



Implementing Prophet 21 for Inventory Accuracy and Visibility

Grove Medical began implementation of the Prophet 21 software in December 2009 and went live with all components in July 2010.

“The implementation went smoothly,” notes Selig. “Epicor was easy to work with through the whole process, and all of our timelines were met. We had the same people working with us throughout the process, and they understood our industry and our needs.”

Once Grove Medical began implementation of the Epicor software, inventory adjustments were reduced by 60 percent within six months. In addition, the last six months of 2010 (when the software was implemented) showed an 8.5 percent increase in company revenue, without any additional employees. The company also began capturing about 6 percent more on freight charges to their customers.

“In the past, we had a huge problem with backorder fulfillment. Open orders had no accountability or tracking system, and could sometimes be more than six months old. If you lost the sheet with the information, that was it,” notes Selig. “Now, orders stay open for no more than one or two days. We have increased visibility to our orders and other information within the system, and this has improved our inventory levels and accuracy, credit and collection processes, financial statement preparation time, etc. It’s phenomenal just knowing where everything is within the order fulfillment process at any given time.” Last but certainly

not least, the company has seen increased customer satisfaction and order error reduction since switching to the new software.

Supporting Direct and Online Sales

Grove Medical has also taken advantage of Epicor’s Business Analyzer software program and B2B Web site management to advance their business to the next level.

“The business analyzer software allows us to forward daily e-mails to our sales reps with all kinds of information we never had previously,” says Selig. “It’s like an executive dashboard, and it ‘slices and dices’ our business information in all sorts of helpful ways. It offers a level of visibility that did not exist for us before. We highlight low-margin customers and products, which allows us to drill down on the issues and address them immediately.”

The company uses the B2B program to maximize sales and opportunities. “We knew we needed some very important features that we did not have on our previous site, including the ability to order in different units of measure, provide formulary restrictions to our customers, parent/child visibility, etc. Our Internet sales have increased 5 percent since we switched to using Epicor’s B2B site management,” Selig observes.

Customer Service to Rely On

In addition to the benefits of the software, Grove Medical appreciates the accessibility and expertise of Epicor’s consultants. “Epicor engages with the customer, and works with you one-on-one at all levels of the company. They are always willing to talk things through, and that collaboration has made a huge impact on our success,” says Selig.

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

+1.800.776.7438 info@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

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