



Epicor Success Story

Cascade Orthopedic Supply

Company Facts

- ▶ Location: Chico, California
- ▶ Industry: Medical
- ▶ Number of Stores: 4
- ▶ Web site: www.cascade-usa.com



Success Highlights

Challenges

- ▶ Help a Chico, California-based distributor of orthopedic and prosthetic products decrease inventory levels, reduce AR balances, and streamline processes

Solution

- ▶ Epicor® Prophet 21®

Benefits

- ▶ Reduced days sales outstanding by 7 percent
- ▶ Reduced inventory levels by 7 percent within one month of go-live
- ▶ Increased inventory turns resulting in \$40,000 annual savings in carrying costs
- ▶ Decreased annual payroll expenses by \$50,000 annually
- ▶ Reduced accounts receivables by \$20,000 the first month

"Carrying customer debt can be a bigger burden than many businesspeople realize," says Jeff Collins, CFO of Cascade Orthopedic Supply. "You carry a lot more than their outstanding accounts," he emphasizes. "You bear the interest on top of those outstanding balances, costing thousands upon thousands of dollars each year."

Cascade battled increasing AR balances for years. "It was difficult to concentrate on the accounts that needed the most attention because we really couldn't pull information out of our old system very easily," he says.

Implementing Epicor Prophet 21, a Microsoft® Windows®-based, SQL Server® solution, helped Cascade target the accounts that owed the most money, resulting in a \$20,000 reduction in AR within a month of going live on the solution. "Because information is so easy to access and organize, it helps us identify and go after the accounts that have the most outstanding debts," Collins says. "Prophet 21 has made a big difference to our bottom line."

Inventory Management

Founded in 1975, Cascade is a key distributor to the clinical prosthetic and orthotic industries.

"Maintaining our position as a profitable industry leader would have been difficult—if not impossible—without the right technology," Collins says.



Cascade Orthopedic Supply

For example, Cascade employees work hard to ship almost all products as soon as customers place orders and regularly maintain same-day shipping levels of 97 percent or greater. But, with inventory growing increasingly expensive, the company needed a solution that could help purchasing agents better determine which SKUs they needed to keep in the warehouse at all times—and which items they could order on a just-in-time basis.

Using the Prophet 21 ability to calculate purchase points based on actual item usage, lead-time information and on-hand quantities, Collins and his team determined that Cascade needed to stock fewer SKUs than the warehouse staff thought. "Our service levels are better than ever before and our inventory turns are increasing as our sales increase. Everyone's pleasantly surprised," reflects Collins.

An added bonus: Inventory levels dropped by 7 percent within one month of go live. "We're saving at least \$40,000 annually on carrying costs because we're not overstocking our warehouse," Collins says. "And we expect to see even bigger decreases as we get more comfortable with the Prophet 21 solution."

Customer Service Solutions

Customers continue to grow increasingly sophisticated and demand only the highest quality service. Prophet 21 arms

customer service representatives with the tools they need to help Cascade's 2,000 customers quickly, efficiently, and easily. "They can access all of our customer and product information from one screen," Collins says. "Before, they would have spent much more time getting to the data. Prophet 21 puts it right in front of them."

Because customer service representatives spend less time floundering for information, Cascade has been able to reduce the number of order takers it employs. "When one of our reps left, we didn't have to replace her. We're going to save several thousand dollars in that area this year alone."

And, thanks to automated purchasing processes and better inventory management capabilities, warehouse workers easily absorbed extra duties after two employees left, saving the company almost \$50,000 per year.

"Prophet 21 is helping us position ourselves for growth without needing to increase personnel," Collins comments. "We've been very impressed with all of the improvements we've seen thus far—and are looking forward to many more down the road."

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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