



Epicor Success Story

Regency Lighting

Lighting distributor teams with Epicor consultants to improve Key Performance Indicators

Company Facts

- ▶ Location: Chatsworth, California
- ▶ Industry: Electrical
- ▶ Number of Employees: 255
- ▶ Web site: www.regencylighting.com



Success Highlights

Challenges

- ▶ Maximize the use of ERP system functionality to improve specific inventory turns Key Performance Indicators at an industry-leading West Coast electrical distributor

Solution

- ▶ Epicor Prophet 21 with Business Consulting Services

Benefits

- ▶ Improved inventory turns by one point in one year
- ▶ Increased sales by 19 percent without increasing inventory value as a percentage of sales
- ▶ Improved net cash flow and financial positioning while increasing customer service levels
- ▶ Freed up purchasing agents to spend more time on value-added procedures

For the past several years, Regency Lighting has been ranked among the top 200 electrical wholesalers in the U.S. by Electrical Wholesaling magazine. The Chatsworth, California-based distributor has 255 employees in seven locations nationwide, and \$110 million in annual revenues. Regency will celebrate its 30th year in business in 2012.

When the company began looking for an updated enterprise resource planning (ERP) solution several years ago, it went through a comprehensive RFI/RFQ/due diligence process. After a yearlong search that included 15 ERP providers, they selected the Epicor Prophet 21 system. According to Isaac Regenstreif, Vice President of Operations, "From our perspective, Prophet 21 provided the right combination of feature/functionality, support, and future technology roadmap." Regency Lighting went live on Prophet 21 in January 2008.

Improving Inventory Management

Once Regency Lighting became comfortable with the system, the Epicor Business Consulting Services team engaged with them in July 2009 to identify specific inventory turns Key Performance Indicators (KPIs) to improve upon. Epicor developed a proposal to Regency senior leadership with a specific, narrow focus on Advanced Demand Forecasting (ADF). The consultants identified SMART (Specific, Measurable, Achievable, Realistic, and Timely) goals to assist Regency Lighting to improve these KPIs with ADF.



Some methods for accomplishing these goals included Epicor Senior Business Consultants working with Regency to identify dead stock items, strategizing to reduce the dead stock, and moving suppliers to the UpTo replenishment method. The latter allows Regency to determine when to purchase and how much to purchase.

“Prior to implementing the UpTo replenishment method, we managed our order points through the minimum/maximum replenishment method,” explains Regenstreif. “This method was extremely time-consuming, requiring our purchasing agents to adjust the levels on each item/location combination manually. Because of the time it took to review and update the levels, our order points were often out of date and not reflective of current usage. The UpTo replenishment method utilizes formulas to quickly determine the right order points based on measurable variables such as safety stock, average lead times, and forecasting history.”

According to Regenstreif, “The Epicor Business Consulting team conducted a series of site visits to institute the change in how we were using the Prophet 21 system.” Over the course of nine months, the Epicor consultants and Regency senior leadership team began training the purchasing department and configuring the system for Advanced Demand Forecasting, eventually rolling it out to all locations.

Meeting Goals and Looking Ahead

“Through the assistance of Epicor Business Consulting, we improved our inventory turns by one point in one year, enabling us to increase our sales by 19 percent without increasing our inventory value as a percentage of sales,” notes Regenstreif.

With the Prophet 21 ERP now performing the inventory replenishment calculations, Regency Lighting improved net cash flow and financial positioning while increasing customer service levels, and began to create more efficient warehouse space and resource utilization. States Regenstreif, “We removed a manual process and replaced it with an automated one based on intelligent criteria and metrics. This gave our purchasing agents more time to spend on other value-added procedures.”

Regarding Epicor Business Consulting, Regenstreif comments, “We are very happy with the quality of the people engaged with us. Epicor’s process to identify specific, targeted quantitative goals and a defined scope of work is very good.” He also recommends Epicor for its senior leadership and technology roadmap, concluding, “We are looking forward to the future with Epicor as a strategic partner.”

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. 40
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, July 2015. The results represented in this testimonial may be unique to the particular user as each user’s experience will vary. 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. 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. The results represented in this testimonial may be unique to the particular user as each user’s experience will vary. Epicor, the Epicor logo and Prophet 21 are registered trademarks or trademarks of Epicor Software Corporation in the United States, certain other countries and/or the EU. All other trademarks mentioned are the property of their respective owners. Copyright © 2015 Epicor Software Corporation. All rights reserved.