



Epicor Opens Windows to Efficiency for Gealan

Company Facts

- Location: Bucharest
- Industry: Manufacturing
- Number of Stores: 5
- Web site: www.gealan.ro



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Marius Magirescu, IT Coordinator | Gealan Romania

Success Highlights

Challenges

- Rapid business expansion
- Delivers 10,000 parts in various combinations to hundreds of Romanian companies
- Needed to simplify the commercial operations and increase efficiency

Solution

- Epicor iScala Storefront
- Epicor iScala Service Connect

Benefits

- 60 partners have already launched 2,300 orders via the virtual shop, reaching a total of Euro 2 millions
- Thus, the number of completed and registered primary documents was reduced
- The company has achieved important savings by increasing headcount efficiency
- At the same time, the number of human errors has significantly dropped
- Partners can get information or place orders anytime, 24 hours a day, 7 days a week
- The solution can be quickly implemented and is easy to manage

Gealan Romania is the market leader for PVC profiles for doors and windows with thermal insulated glass and the Romanian subsidiary of the German group Gealan Fenster Systeme GmbH. Active for 16 years in Romania, Gealan prides itself on efficient distribution. As a result of the excellent results they have achieved in a relatively short time, in 1998 Gealan started a complex investment project for building the first Romanian factory for the extrusion of PVC profiles. At the same time Gealan Romania consolidated its position within the group by becoming an important profile exporter.

Today, Gealan Romania works with a network of almost 600 partner companies, supplying them with the parts and technology needed for manufacturing PVC thermal insulated windows. The company headquarter is located in Bucharest but it also has warehouses across the country, in Bacau, Craiova, Timisoara and Constanta.

Quick Growth Supported by Modern Solutions

The quick expansion of Gealan Romania - from a local representative office with a low number of employees, whose business was only built on import and distribution, to an important manufacturer, exporter and partner for hundreds of Romanian companies - demanded the development of a business information system. Modern IT business applications has become a major requirement for a company's success in today's fast moving market.

The collaboration between Gealan and Epicor started in 2006 when Gealan began to integrate its standalone business applications using Epicor iScala ERP (enterprise resource planning). The implementation of BI (business intelligence) elements followed, and more recently, Gealan decided to introduce Service Connect by Epicor, enabling electronic data exchange and interchanges with other systems.

With the purchase and implementation of Epicor iScala, Gealan Romania realized an increase of business efficiency due to running a single application for enterprise management. It also meant that the company managers had a consistent view of the company's status. But the ever growing business, and the development of a network of almost 600 partners, meant that the company required new IT tools to increase business efficiency even more.

Marius Magirescu, IT coordinator for Gealan Romania, explains: "Our business model means that we supply partners with parts and machines as well as know-how and training. We also pass our high standard to them through the technical documentation. But here in Romania only a few partners place large orders because most of them want to avoid carrying too much stock and we thus receive many small orders instead of a few large ones."

Cristina Balaban, marketing coordinator for Gealan Romania, adds: "This general, 'just-in-time', purchasing trend could be seen even before the economic crisis, not to mention that it became more serious in 2009!"

Therefore, the entire business workflow of receiving orders, processing them, invoicing, etc. for each partner became more and more "bottlenecked", as the number of partners and parts delivered by Gealan grew.

"One of our key selling points is that we can do anything the customer wants," says Marius. "We supply nearly ten thousand products, from screws to rollers and automation equipment. This means everything that composes or covers a window, not to mention the batch configuration of two or more parts in the fittings of a window."

In time Gealan realized that they had to simplify trading operations to simplify the time and resource consuming processes of faxing and posting orders, confirmations and invoices.

"We needed to save time throughout the entire sales process and realized that this would be best done if customers could place their orders directly online," explains Marius.

Cristina adds: "This was needed so that we could increase efficiency and reduce the amount of manual work that was done."

She continues: "Furthermore, we could see that it would be useful to be able to send the information in a more simple and efficient manner. The same would be true for information exchange in the opposite direction, from us to our partners so that they could more easily view their financial status, due balances, payment terms, the amount of open orders, etc."

The Solution: An Integrated Virtual Shop

At the end of 2008, Gealan implemented Epicor iScala Storefront, creating a virtual Web store in Romanian, store.gealan.ro, that enables partners to create purchase orders online. Because the Web store is fully integrated with the ERP system, the purchase orders are automatically visible in Epicor iScala.

Marius explains how the new system works: "Our partners have been provided with an ID, a username and a password. After receiving the ID, the partner can access the Storefront portal, viewing custom pages dedicated to them, and standard pages that have been tailored according to the partner's parameter. Actually, the order page is standard, but the partner can only see their specific orders."

On these pages, the partners can view various catalogues where they can search for items, see various profiles of different product sizes and images, and they can also view open orders or invoices that are due for payment.

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Marius Magirescu, IT Coordinator

With Storefront, Gealan provide its partners with the possibility to define, edit and delete orders and quotations, view invoices and close and open orders or product information via a searchable tree structure. Each partner has certain specific requirements, and by using Storefront they can be provided with distinct content based on their individual needs.

“The system is very well adapted to our internal business,” says Marius. He explains: “The main gateway is the sales department where orders from partners are received, and the orders are then processed further through certain financial filters. In the background there are automatic mechanisms in place for supply or reservation of goods and, when certain customer requirements cannot be covered from the inventory, these are sent to logistics, with a pending status. The requirements are then temporarily stored and once again turned into orders. The goods then arrive to the supply department through an automatic process for distributing customer orders in a FIFO system (First In, First Out). Both the logistics and the supply component is translated into accounting entries, according to financial rules.”

Thus, the orders enter the system via the portal and then follow the standard workflow without interruptions due to the integration between Storefront and Epicor iScala ERP. The integration covers both the order-supply-logistics process as well as the financial and customer information process.

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Furthermore, Storefront also provides other features – such as the Configurator or the Product Catalogue that help users to search and order the required product even more easily. “The Configurator, which enables users to configure an end product from parts, is also a good idea. From our point of view it would be useful for smaller

partners that, for example, want to see a price for a custom made window before they go ahead and order the parts,” says Marius.

Growing the Business at a Low Cost

Out of the current 600 Romanian partners, almost 60 of them were users of the virtual shop soon after its launch. Some of them use it on a daily basis, others occasionally, and a new customer is added almost every week.

The amount of orders placed via Storefront is easy to track with a special counter. From the launch of store.gealan.ro at the end of 2008, in almost a year and a half, 2,300 orders have already been recorded and delivered via Storefront, reaching a turnover of almost 2 million Euros. Gealan now have enough measurements available to be able to highlight the advantages of using a virtual shop.

“It is obvious that this system improves the customer relationship and increases the efficiency of the sales processes,” says Marius.

He adds: “We also save time, both for our company and for the customer who does not need to wait for confirmations anymore, and quickly gets an online reply.”

“The order is automatically entered; it would be an exaggeration to say that this happens in a couple of seconds, because it is already in the system in only 1.5 seconds from the moment of the last click!” says Marius.

Furthermore, automating the sales and financial processes has already brought important savings to Gealan by increasing headcount efficiency, reducing the number of those employees whose sole daily job was to enter purchase orders into the system during the peak periods. The risk of human errors has also been greatly reduced, along with lowering the number of documents that have to be filled in and recorded; an order is now directly entered into the system without the need to be re-processed by someone else.



Collaboration and Easy Management

Other savings of this kind are due to the fact that the Web store is natively integrated with the Epicor iScala ERP system and they collaborate with each other. "If it had not been this way, at the end of each month all the parts and all the logistics transactions would need to be manually retrieved from the trading and logistics system and then manually entered into the financial system," says Marius.

With the old system in place, by the end of a financial month Gealan would not have an easy overview on various business indicators; it would take a long time to produce, for example, the inventory amount status for the previous month. This was a great disadvantage that reduced the possibility of making quick and timely business decisions.

The fact that the solution is easy to manage by the company's IT specialists is highlighted by Marius: "I don't even know it's there! From time to time I receive copies of the order entries and I remember about Storefront! It's so easy to work that you forget you are using it. Actually, the security component is the only one that has to be managed and the only other thing we do is create new users as and when it's required."

About Epicor

Epicor Software Corporation is a global leader delivering business software solutions to the manufacturing, distribution, retail, and service industries. With more than 40 years of experience, Epicor has more than 20,000 customers in over 150 countries. Epicor solutions enable companies to drive increased efficiency and improve profitability. With a history of innovation, industry expertise and passion for excellence, Epicor inspires customers to build lasting competitive advantage. Epicor provides the single point of accountability that local, regional, and global businesses demand. For more information, visit www.epicor.com.



Contact us for more information on Epicor Products and Services

+1.800.776.7438 info@epicor.com www.epicor.com

Worldwide Headquarters

San Francisco Bay Area
4120 Dublin Boulevard, Suite 300
Dublin, CA 94568 USA
Toll Free: +1.888.448.2636
Direct: +1.925.361.9900
Fax: +1.925.361.9999

Latin America and Caribbean

Bldv. 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

Level 34
101 Miller Street
North Sydney NSW 2060
Australia
Phone: +61.2.9927.6200
Fax: +61.2.9927.6298

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