

ACCPAC[®] *success*

ACCPAC Pro Series Enables Internet Retailer to Achieve Exponential Growth

Launched in 1999, Etronics' success as an Internet retailer of electronic products is a rarity in today's economy. In just three years, the company's inventory has grown from fewer than ten items to over 5,000, with a value approaching \$5 million. Last year's sales of \$45 million are equally impressive. But what makes Etronics stand out in the Internet retail world is its continued exponential growth. Sales are projected to top \$75 million this year – and the company has accomplished this with a total staff of only 35 people.

Enabling Online Success

How has the company been able to achieve this incredible growth with such a small staff? "We give the market what they want, when they want it," explains Mayer Balsler, vice president at Etronics. "Our focus has always been on creating an inventory of products the market wants, delivering the best possible customer service and providing same-day shipping – as cost effectively and efficiently as possible. The key to reaching these goals, and the real secret to our rapid growth, has been ACCPAC Pro Series. Pro Series has significantly contributed to our success, allowing revenues to grow far faster than staff size."

Etronics implemented Pro Series at the suggestion of its systems integrator, Net@Work. Based in New York City, Net@Work functions as Etronics' virtual IT department, offering solutions that are easy to implement, run and maintain.

SUMMARY

Etronics needed an accounting solution that would support its exponential growth by automating as many business functions as possible. The company turned to ACCPAC[®] partner Net@Work, which suggested ACCPAC Pro Series[™] for easy access to source code to facilitate the creation of customized interfaces. The solution, interfaced to the Etronics Web site, automatically tracks orders from the time of entry through shipping and beyond.

CLIENT PROFILE

Etronics, a retailer of a wide range of consumer-oriented electronics devices, does most of its business through its Web site, but also maintains a storefront in Manhattan. Launched in 1999, the company has experienced exponential growth and continues to do so – sales are projected to jump to \$75 million this year, up from \$45 million in 2001.

BUSINESS CHALLENGE

The company faced soaring demand for its stocked products and needed a cost effective way to enter, fill, ship and track orders and warehouse inventory.

ACCPAC SOLUTION

- ACCPAC Pro Series
- System Manager
- General Ledger
- Accounts Receivable
- Accounts Payable
- Inventory Control
- Order Entry
- Purchase Orders

BENEFITS

The ACCPAC solution interfaces with Etronics' Web site so that orders placed over the Web are automatically tracked. With customized interfaces, the solution supports a highly sophisticated credit authorization system for Web orders. This application is also available for scoring credit card transactions made through a third-party ACCPAC-compatible POS solution at Etronics' retail outlet store. Another third-party product that interfaces with Pro Series is used to automate shipping procedures. Etronics also relies on the Pro Series Inventory Control module for tracking all warehouse items.

INDUSTRY

Retail

GEOGRAPHIC LOCATION

USA



“Our job is to make Etronics’ job easier,” says Alexander Solomon, president and co-founder of Net@Work. “Etronics came to us shortly after we launched its Web site, just at the point when its success was becoming a liability in terms of maintaining efficient operations. The company wanted a way to streamline accounting functions and bring order to a chaotic manual inventory management system. Accelerating online credit card authorizations and maintaining same-day shipping, even in the face of increased volume, was paramount. After a careful market analysis, we realized that ACCPAC Pro Series met all of these requirements.”

An Integrator’s Dream Solution

In addition to its inherent broad functionality, both Net@Work and Etronics favored ACCPAC Pro Series for three key reasons – its cost-effectiveness, the fact that it includes source code and the broad selection of third-party add-on products. “Quite frankly,” adds Solomon, “ACCPAC

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makes us look good to our clients because it enables us to provide the exact solutions at less cost and more quickly than we could with other products. With ready access to source code, for example, we were able to integrate Pro Series with Etronics’ existing Web site easily and quickly, resulting in a return on investment within a month. The solution eliminates the need for manually entering orders from the Web site into the back-end accounting system, as Etronics had been doing previously.”

Seamless Third-party Integration

Etronics relies on several ACCPAC Pro Series modules, including System Manager, General Ledger, Accounts Receivable, Accounts Payable,

Inventory Control, Order Entry and Purchase Orders. In addition, the company has implemented a third-party point-of-sale application that interfaces with Pro Series and streamlines transactions at Etronics’ retail store in Manhattan.

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More recently, Etronics implemented another third-party add-on product that automatically transfers order information to its shipping system. “The ACCPAC solution touches on every aspect of our business,” states Balsler, “from stocking and ordering inventory to customer order-entry and the picking, shipping and tracking of orders.”



The Power of Customization

In addition to the custom Web interface created by Net@Work, Etronics' ACCPAC solution includes a customized order-entry interface as well as a tailored credit card authorization system. "As our order volume increased, we needed a way to submit authorizations in a batch mode while also maintaining a highly sophisticated fraud protection system," Balsler explains. "With an interface customized by Net@Work, we now store and manage the fraud rating system in ACCPAC Pro Series and run all credit authorizations through it – a move that saves time and overhead while preventing fraudulent credit card use on our site."

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ACCPAC Pro Series has also been instrumental in improving Etronics' inventory management capabilities. "Before ACCPAC, we used to waste a lot of time looking for products we didn't have and finding products we didn't know we still stocked," Balsler



recounts. "But now, with the Pro Series Inventory Control module, we always know what products we have, where they are and in what quantity. This information is critical to quickly filling orders and also ensures that we know when to restock any item. Furthermore, by analyzing inventory data through this module, we can determine demand for each product and make projections for our inventory requirements, allowing us to take advantage of available volume discounts."

A Tool for Growth

"For Etronics," Solomon explains, "ACCPAC Pro Series is not just an accounting solution. It's a business platform that supports the entire range of functions the company needs to run its business. And, because it is easily scalable – Etronics started with two servers and already has sixteen – the solution will continue to meet its needs as business grows."

And growing it is. Last year, Etronics shipped 3,154 boxes in a single day, a shipping volume that would have taken at least five days to complete

without ACCPAC Pro Series, according to Balsler. This year, he expects even more from the solution, anticipating peak single-day sales to exceed 6,000 boxes.

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"We're successful because we ship faster and with significantly less overhead than anyone else in this business," Balsler concludes. "But we'd never be able to accomplish this feat without Net@Work and ACCPAC."

About Etronics

Launched in 1999, Etronics is a retailer of more than 5,000 consumer-oriented electronics products. The company has experienced exponential growth and is projecting sales of \$75 million in 2002. It attributes its success to an emphasis on top-notch customer service, ready availability of all items displayed on its Web site and same-day shipping. For more information about Etronics, visit www.etrronics.com.

About Net@Work

Net@Work is an IT consulting and services firm specializing in the implementation and support of accounting and business management software. As a Premier ACCPAC reseller and consultant, Net@Work has assisted hundreds of organizations in effectively leveraging technology as a tool to support business growth. Net@Work has vast expertise in needs analysis, implementation and ongoing support. For more information about Net@Work, visit www.netatwork.com.

About ACCPAC

For more than 20 years, ACCPAC International, Inc. has been developing business management applications that deliver high performance, advanced functionality and cross-product integration to small and medium size enterprises. Today, ACCPAC offers a broad range of integrated accounting, CRM, e-commerce, EDI, HR, warehouse management and manufacturing solutions designed to enhance competitive advantage and increase profitability.

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