

Case History—Demand Forecasting

# Inventory the way it should be

### Midas keeps mufflers moving to shops across Canada using BCSL

he highly competitive car service industry thrives on the availability of parts, survives on expeditious service and dies without either.

"A customer is not going to sit and wait if you're out of stock on a part for his or her car," says Jim Denney, Vice President, Distribution and Product Services, Midas Canada Inc.

Midas, a mainstay in the auto service sector, deals daily with thousands of parts, five different warehouse sites and 242 Canadian shop locations. The organization must also consider seasonal products, manufacturing minimums, supplier lead times, and shipping and warehousing capacity issues. In addition, there's the challenge of keeping up to speed on new vehicle makes, models and specifications.

Due to the service-while-you-wait nature of the business and what it takes to satisfy customers and franchisees, it is imperative that Midas have an inventory management system that

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guarantees control and forecasting.

Mr. Denney and Inventory
Manager, Cam Rogers, had utilized
their existing computer systems'
functional purchasing module, but, as
Mr. Rogers notes: "What we needed
was an automated replenishment and
forecasting tool capable of handling
all our issues. And, it had to be compatible with our existing computer
system."

Late in 1995, Business Computer Systems introduced Midas to its advanced MARS95 Demand Forecasting software, a Windows PC-based package that integrated seamlessly with Midas' existing AS400 host software.

"The software allowed the flexibility we required to move forward with our distribution decentralization plans and to significantly reduce our transportation costs," says Mr. Denney.

"MARS95 has been instrumental in achieving inventory reductions of more than ten percent in 1996 while still

maintaining our high customer service levels. In 1997 we plan a further inventory reduction of eight to ten percent."

A wide range of benefits is offered by MARS95, including the meaningful micro and macro context of products' seasonality, vendor lead times, put-away costs compared to carrying costs, automated stock balancing between



Customers in a hurry can be sure that each of Midas' 242 locations has all the parts they need thanks to Mars 95.

locations and the capability to forecast days to years in advance.

"From our customers' point of view, the savings we achieved by using MARS95 allows us to be competitively priced while maintaining customer service levels," Mr. Denney adds.

"From Midas' perspective, it enables us to make the best use of our inventory dollars, to be more accurate in notifying our suppliers of pending requirements, and to make appropriate arrangements for warehouse, shipping and personnel requirements."

Mr. Rogers concludes, "Since the software implementation, I spend my time analyzing our sales and inventory, not on manual calculations and data entry."



Case History — Retail Sector

## **Toy Story**

### SOLUTION gets Kroeger's 20,000 hobbies and toys to the right hands

rant Chyne doesn't want to play with his inventory of 20,000 toys and hobbies.

Rather, the Vice-President of Scarborough, Ontario-based Kroeger Inc. has to control and manage the daily ebb and flow of products through his distribution centre.

Until two years ago this mid-size importer relied on a warehouse staff of ten, using a combination of old generic accounting software and manual processes to run the operation. This combination has been replaced by the powerful integrated distribution management application, SOLUTION. Since then the administration of Kroeger's operation is as easy as child's play.

"I like it very much," says Chyne of the SOLUTION software. "We now have greater control over our inventory, receivables, purchasing, and quality management reporting information, on display or printout," he adds. "We can now see what our gross

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profits are daily. SOLUTION gives us both the overview and details. It's been very good from the start."

The installation of the SOLUTION software began with a thorough evaluation to determine Kroeger's requirements, and was managed by Dave Burt at BCSL.

"Their people are very knowledgeable and their product support is reliable, fast, and available on-line via modem," states Chyne.

Serving Kroeger's base of 3,500 retailers has been challenging in recent years. Increasing demands, tighter margins and struggling customers have increased the needs of suppliers like

Kroeger to a higher level than ever before.

Chyne enthuses about the difference SOLUTION has made to his business. "We're now carrying less inventory and have more control over receivables and credit issues in order entry.

"We carry 20,000 items, from two hundred worldwide suppliers. With SOLUTION we now know



Kroeger Inc. manages the distribution of 20,000 toys and hobbies to 3,500 retailers across Canada using SOLUTION software.

how to utilize the inventory. Now we have the system and the stock where we want it, thanks to BCSL and their suggestions."

The SOLUTION software is a good way to keep bad credit customers in line, reports Chyne. "I never used to charge interest on overdue accounts but now we have the ability to do it. The money we collect on overdue accounts every month has offset the investment in the new systems."

He adds, "We've worked with BCSL since September of 1995–before that, I've used other software. All in all, BCSL gets a superior rating." ■



## Case History—Remote Customer Service

# Post-its, paper and purchasing

#### Solution 7 customers do their own ordering—anywhere, anytime

ith a tradition and track record dating back to 1860, St.
Catharines-based Beatties
Stationery Ltd. wasn't going to entrust its future customer service capabilities to just anyone.

In 1995 Beatties opted to upgrade its computer system with new Hewlett Packard UNIX hardware. The 137-year-old office supply retailer and wholesaler also selected SOLUTION business management software from Business Computer Systems Limited (BCSL) to replace its outdated programs.

One of Canada's oldest purveyors of office supplies, Beatties has six retail stores throughout the Niagara Region, with two warehouses comprising a total of 22,000 square feet. And with both retail and wholesale customers, filling orders quickly and accurately is imperative.

"With BCSL customer order entry software, we've saved thousands of man hours because customers enter their own orders," reports Beatties'

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President, Ted Hoxie, who has since upgraded to SOLUTION 7.

"This program is designed to work with Windows 3.0 or greater using any 386 computer with a modem," he notes.

"The software installs in minutes and is password-protected for each user. Training is simple because the software uses Windows graphics user interface. We're very happy with BCSL SOLUTION and the enhanced customer order entry program."

BCSL's proprietary Customer Order Entry software has

provided a plethora of new performance benefits according to Mr. Hoxie, a 30 year veteran of Beatties.

"This software allows our customers to place orders seven days a week, twenty-four hours a day from their location," he notes.

"The Help function can be used on-line or as a stand-alone and the customer has the ability to customize order entry information.

"There are also a number of search engines for the customer, enabling them to locate items by supplier product number and catalogue page number. Since the customer is on-line with our main system, they can

review our current inventory and their applicable

pricing matrix.

"As well, customers can see a running order total." Mr. Hoxie is also impressed with the software's Price and Inventory inquiry function.

This function allows the customer to view stock and specific pricing information, while simultaneously building order detail

lines—converted to an order instantly with the click of a mouse.

"The customer can view all orders placed with the Order Status report," he says. "The orders are displayed in number sequence, and the order reference, contact, status, date and value are included."

The software also enables Beatties to promote sales on-line and receive E-mail from its on-line customers. "This marketing tool is a must for doing business in the '90s," concludes Mr. Hoxie. ■



Beatties' customers quickly replenish stocks with seven-days-a-week, 24hours-a-day on-line ordering using BCS's SOLUTION 7.

Software that Performs



Case History—Industrial Supply

# Keeping the bearings rolling

### Ringball/Vanguard Steel keeps its bearings with new systems from BCSL

t's no small feat to manage and move an inventory of 55,000 different SKUs through two distinctly different distribution companies, in 10 warehouses spread across the entire breadth of Canada.

Then add to the equation 150 employees, each of whom must know the status of each product at any given time, and that sourcing unusual client requests—a key company service—creates a significant non-stock inventory requirement. Include the more than 200,000 square feet of warehouse space—and the logistics are mind boggling.

Four years ago, Mississauga-based Ringball Corporation set out to find a software company to provide it with a single package that could address the needs of both its bearing and gear Divisions: Ringball, and Vanguard Steel, its steel service center. After an extensive evaluation lasting almost three years, it selected BCSL and the company's SOLUTION 8 business

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management software.

Louis Kalchhauser, Vice-President–Finance of Ringball, says that SOLUTION software went live in July, 1996 and less than a year later is netting the company a range of benefits.

"Before BCSL, we used a proprietary accounting software package for more than ten years," says Mr.
Kalchhauser, a 32-year-Ringball veteran. "We realized there was no future growth path with that software company and had to phase it out. We required a system that would link all our branches through a central server at head office. We found it with BCSL."

A "smooth" installation preceded a customization process. "It's been a good match and we're quite satisfied," says Mr. Kalchhauser. "SOLUTION helps us effectively manage the inven-

tories, receivable ledgers and client files of two companies."

One of the key benefits according to Mr. Kalchauser is communication. "The fact that we're dealing directly with the software developer is extremely helpful when we need modifications. They know their product inside out and can easily guide us in the right direction."



With SOLUTION 8, Ringball/Vanguard ships 55,000 different steel products including bearings and gears from 10 warehouses across Canada.

David McNicoll, the MIS Coordinator, is also a supporter of the SOLUTION software. "We're still inputting information into the system but we're already finding that it's a good adjustment. I haven't witnessed any negative aspects. The system is relatively easy to learn and eventually 90 percent of our people will be on line," he says.

For McNicoll, SOLUTION's major advantage is the consolidation of information. He notes: "The software allows every department to see what the others are doing. It makes the movement and management of our inventory far more effective."