Accredo 🚸

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Colin Hodges Managing Director, ISL Industrial (right) with Dominic Hawtin, Brunton NZ

Accredo unlocks growth potential of tool and equipment importer

ISL mar

The right business management system, together with excellent software support has seen Auckland-based company ISL Industrial (ISL) not only survive in a competitive market, but helped its fortunes thrive.

The Auckland-based company sources an extensive range of industrial equipment, hand-tools, tool storage, fasteners and other consumables from suppliers around the world and distributes them to specialist resellers nationally. For the last several years it has recorded 20-35% sales growth per annum – an excellent result during difficult economic conditions.

Since adopting Accredo's accounting and business software system and enlisting the ongoing help of Accredo reseller Brunton NZ, ISL has removed roadblocks to growth. It has successfully introduced new business processes, made a strategic acquisition and developed an e-commerce website that is helping more and more of its key buyers find crucial product information and undertake online ordering. ISL owner and managing director, Colin Hodges, says his firm was introduced to Accredo while undertaking an acquisition.

"Two years ago we acquired a smaller, but complementary importer distributor. During the due diligence on that business we found that the software system it was using – Accredo – was very flexible. Exporting data was easy and it was able to provide better reporting than our existing software."

Usually the buyer imposes its system on the smaller acquired company, but Hodges says he was well aware that the Australian package ISL was using had limitations – principally, it didn't have a service network in New Zealand.

"We knew we had to change at some stage because we had no support. We couldn't tailor the software to meet our changing needs."

Hodges says he evaluated options, but once he learned more about Accredo and was introduced to the team at Brunton he was happy to make the switch.

Case study ISL Industrial Ltd

Accredo unlocks growth potential of tool and equipment importer ...continued

"We acquired the business and exported all the data from our system back into Accredo and ran with it. I was very impressed with the way it operated.

"It is built for businesses like ours. It has comprehensive foreign currency features and its breadth of business functions is well integrated. It also has good inventory control which is absolutely essential for a business like ours."

"With Accredo we can restock each supplier's product line in about 30 seconds."

Colin Hodges, Managing Director, ISL Industrial ISL stocks over 30,000 products, importing them from Taiwan, China, Australia, Singapore, India and the US. Hodges says his legacy software system didn't have an automatic reorder function which made inventory management time-consuming and difficult to manage.

"When we switched to Accredo we asked Brunton to solve that problem. We set parameters for each supplier and product, indicating lead times and minimum and maximum stock numbers." Once that information was uploaded the reordering process could be automated.

Hodges simply selects a supplier and the reorder function automatically brings up all the products that need attention. The system ignores the products that are sitting within their parameters and only highlights those that are outside the norm.

"When you have the amount of stock we carry this becomes a critical time-saving device. It used to take me a couple of days to reorder product for one supplier. I had to manually export the data into Excel, look at it line-by-line and then punch all the data back into the system. Now with Accredo we can restock each supplier's product line in about 30 seconds."

Hodges says a reorder report allows him to see all the critical data pertaining to the product that needs to be restocked. "I can see stock on hand, what's been shipped, what's on order and what has been sold during the three previous months. All that appears on one form and having reviewed it we create a purchase order for an appropriate quantity."

Minimum and maximum stock parameters are refreshed on a monthly basis. "We adjust the parameters to better match market demand based on the sales for that product over the last three months." ISL also makes extensive use of Accredo's special pricing module. This allows the company to run promotions and establish particular prices for certain customers.

"When our customer service staff get busy it is easy to forget to apply the correct price," says Hodges. "Customers get disappointed because you have overcharged them and it disrupts the smooth day-today running of the business."

Working with Brunton, ISL Industrial has solved the problem. All the special prices are now handled by the Accredo system. "Customer reps enter a sales order and forget about pricing completely because the system handles it automatically," Hodges says.

When a sales order is printed the items are re-sorted according to bin locations on the warehouse floor. Hodges says this saves time in the warehouse because it enables more efficient item picking. When it comes to generating the invoice the items revert to the original order. Says Hodges: "This is a 'nice to have' feature. It allows the customer to see the items in the same order they were created on the purchase order."

ISL has embraced advances in technology, establishing an e-commerce website and moving its entire computing infrastructure to the cloud.

"We developed our ecommerce capability late last year using an interface that connects the front end of the website to the Accredo database. Our resellers can now log on to the website and see their cost price for an item and the 'live' stock availability." Rather than wait on the phone, they can access the data themselves and submit the order online – improving their efficiency and customer service.

Hodges says over 400 customers now access information through the website and the ecommerce ordering component of his business is building rapidly.

He says the Accredo system, together with the support provided by Brunton, helps his business perform better in a highly competitive market. "We carry a lot of stock and service a lot of specialist needs. The flexible nature of the software and Brunton's expertise has enabled us to automate key processes, reduce time and cost, and meet each new challenge as it comes along."

For more information contact us at 09 373 5963 or visit www.accredo.co.nz and sign up to our newsletter.

