



Printer Parts Distributor Increases Cash Flow and Margins with ERP Solution

Overview

Country or Region: United States

Industry: Wholesale and distribution—
Industrial goods distribution

Customer Profile

Bradshaw is a leading remanufacturer and worldwide distributor of replacement parts, supplies, and printers for the production and networked printer industry and offers local production service in the Dallas-Fort Worth area.

Business Situation

Seeking to expand internationally and in the competitive desktop printer market, Bradshaw needed a new ERP solution to lower transaction costs and gain more control over its financial position.

Solution

Bradshaw selected Microsoft Gold Certified Partner ArcherPoint to help implement Microsoft Dynamics NAV, customizing the solution to fit its uniquely diverse operations.

Benefits

- 50 percent reduction in transaction costs
- Improved cash flow and margins
- Stable, easy-to-use technology

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Lee Weiner, CFO, Bradshaw

Based just outside of Dallas, Texas, Bradshaw remanufactures and distributes printers, parts, and supplies throughout the world. The company's old Sage ERP Accpac solution handled only portions of Bradshaw's business, requiring employees to manually enter data and rely on spreadsheets to manage operations. After an extensive search, Bradshaw chose Microsoft Dynamics NAV over an offering from SAP and worked with Microsoft Gold Certified Partner ArcherPoint to implement the solution. By automating processes in Microsoft Dynamics NAV, Bradshaw cut the cost per transaction by 50 percent, nearly eliminated packing and shipping errors; reduced inventory levels by 20 percent; and increased its international distribution capability. In addition, employees feel comfortable using the solution as a faster way to accomplish more tasks.





Lee Weiner, CFO for Bradshaw



Mike Haney, Director of Operations for Bradshaw

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Situation

Established in 1990, [Bradshaw](#) operates one of the largest printer and printer parts remanufacturing and distribution businesses in North America. The company serves as a one-stop shop for printers, parts, supplies, maintenance training, and technical support for IBM, Océ, and Xerox high-speed continuous form laser printers. As an Authorized Parts Reseller for HP, Bradshaw also supplies genuine HP printer parts and high-quality remanufactured components for service providers across the United States. In the Dallas-Fort Worth region of Texas, Bradshaw provides fast and proactive service to keep customers' high-speed, continuous form print operations running smoothly at minimal cost.

Bradshaw had been using an older version of the Sage ERP Accpac solution to help manage its diverse operations. “Because the software did not offer end-to-end support for our business, we used a lot of manual workarounds,” explains Lee Weiner, CFO for Bradshaw. “As a result, our expenses increased at the same rate as sales. We had to hire more people to handle increased volumes, which not only restricted our profitability but also our competitive position.”

In addition, the Sage solution ran on unstable database software that required constant vigilance from the IT team. “Occasionally, the system would crash and our IT personnel would have to rebuild the database,” says Weiner. “In the meantime, our business could be on hold for hours at a time. Our IT team always had to worry about it, and it interfered with their ability to work on projects that added value to the business.”

Well established in the market for high-speed printers and printer parts in North America, Bradshaw saw its greatest growth

opportunities in the desktop printer market and in international expansion. “The desktop market is extremely price-sensitive,” says Weiner. “The business has a high volume of low-dollar transactions where the cost of freight is almost as much as the cost of the product. We wanted to capture more of that market, which made it extremely important for us to minimize our cost per transaction. In terms of international opportunities, we had some exposure that represented less than 10 percent of revenue, but we definitely saw a lot of potential there as well.”

Solution

To lower its cost per transaction and prepare for international growth, Bradshaw sought a newer, more reliable enterprise resource planning (ERP) solution. “We sent out an extensive request for proposal and narrowed the field down to SAP, Microsoft Dynamics NAV, and one other smaller, industry-focused solution,” says Weiner. “After researching each offering, we chose Microsoft Dynamics NAV because we liked the flexibility of the product, the investment Microsoft makes in the solution, and the abundance of third-party functionality available. We felt confident that Microsoft Dynamics NAV would support our current and future needs.”

Implementation on Time and on Budget

To implement the solution, Bradshaw worked with [Microsoft Gold Certified Partner ArcherPoint](#). “ArcherPoint had the relevant industry experience and took care to understand and help address our unique business requirements,” says Weiner.

Bradshaw completed its implementation of Microsoft Dynamics NAV on time and on budget. To help minimize upfront and ongoing maintenance costs, the company used as much standard functionality as possible. In addition, Bradshaw worked with

ArcherPoint to customize Microsoft Dynamics NAV so that it could handle the complex printer core remanufacturing process from an accounting standpoint, linking sales receipts, core receipts, and core invoicing into one process. Bradshaw also used a third-party credit card module and the [Lanham Associates E-Ship and E-Receive modules](#).

The project team tested the solution in a scenario room with everything it needed to initiate and fulfill a transaction, which included a sales representative station to enter the order, an accounting station (for accounts payable, accounts receivable and general ledger entries), and packing and shipping stations equipped with a label printer, scale, and scanner. This preparation paid off in an exceptionally smooth deployment. "At the end of the first day we went live, our team was standing at the back of the warehouse looking at one another," recalls Weiner. "The look on our faces said, 'That's it?' We were pleasantly surprised that our go-live process was pretty much business as usual."

Scrutiny of Business Processes

Bradshaw makes use of the functionality in Microsoft Dynamics NAV to support optimized business processes. "We set up Microsoft Dynamics NAV to reflect our business," explains Mike Haney, Director of Operations for Bradshaw. "Previously, we relied on many workaround measures and manual data entry, but when we implemented the new system, we reexamined those processes with the goal of achieving greater efficiency. For example, to more easily move inventory between our different departments, we set up templates that made automatic general ledger entries. Before, our employees had to create these entries by hand."

Bradshaw used Microsoft Dynamics NAV and barcoding technology to streamline the process of fulfilling a new customer order. Now, once a sales representative enters in the order, that information automatically populates in subsequent steps in the process, such as during packing and shipping. "Bradshaw warehouse employees can pick, pack, and ship an order with as few as four scans—no manual data entry is required," says Haney. "And, when the shipment goes out, the customer gets an automatic email notification."

The effort required to process drop-ship orders is also much simpler with Microsoft Dynamics NAV. "Our sales representatives can check our own stock and initiate a drop-ship order much more easily than before," says Haney. "When entering the order, they can indicate the supplier, price, and shipping method so that those details show up when the product is purchased by the purchasing department; the order is shipped by the shipping department; and the accounting team bills the customer, matches the vendor invoice to the receipt of the product, and pays the vendor. This tremendously lessens the work for everyone involved and greatly reduces the margin of error."

Bradshaw's purchasing manager uses the requisition worksheet in Microsoft Dynamics NAV each day. "The requisition worksheet helps our purchasing manager buy inventory more efficiently and keeps track of our pricing agreements to ensure that we don't miss out on discounts," says Haney. "Before, we had to track these things separately, which meant a lot of tedious work that is now not required with Microsoft Dynamics NAV."



Bradshaw warehouse employees can now pick, pack, and ship an order with as few as four scans.

Added Financial Insight

Besides automating sales and fulfillment processes, the new solution empowers Weiner, the company CFO, and his financial accounting team with the tools that they need to optimize working capital. "The accounts receivable module in Microsoft Dynamics NAV helps our team manage collections more effectively so that payments come in faster, thus reducing days sales outstanding by one day during a very challenging economic period," says Weiner. "At the same time, the accounts payable module helps us more effectively manage our payments to vendors."

Bradshaw managers have much greater insight into their inventory position. With a real-time view into inventory on both a cost-basis and unit-basis, Bradshaw can reduce inventory levels, increase inventory turns, and reduce working capital.

To prepare reports for analysis by management, the IT team at Bradshaw previously imported data from its database into Microsoft SQL Server by using custom-built tables. Because Microsoft Dynamics NAV is built on SQL Server, management can view the data in real time without help from the IT team.

Future Plans

Bradshaw continues to examine ways to improve operations and financial management by using Microsoft Dynamics NAV. "Some of our salespeople are using Microsoft Dynamics CRM, so we're considering integrating the two systems using the connector available in the latest versions of those solutions," says Weiner. "We're also very interested in the new business intelligence capabilities available in related Microsoft products, such as [PowerPivot for Microsoft Excel](#), Microsoft SharePoint Server, and SQL Server Reporting Services."

Apart from Microsoft, Bradshaw also receives advice and support from the extensive user community that has formed around Microsoft Dynamics NAV. "We're an active participant in the [Microsoft Dynamics NAV User Group](#). We participate in webinars and attend an annual conference to meet other users and discuss various topics related to best practices for Microsoft Dynamics NAV. I also currently serve as the Chairman of the Board of advisors to that group," says Weiner. "We appreciate that Microsoft, as the software vendor, takes a positive, supportive stance toward these types of user-led efforts."

Benefits

Equipped with Microsoft Dynamics NAV, Bradshaw has gained more control over both operational and financial aspects of its business. "Our operations are quite diverse, involving distribution, light manufacturing, and field services," says Weiner. "It's a great testament to the flexibility of Microsoft Dynamics NAV that it can support our operations end-to-end and, as a consequence, help us better manage the financial side of our business, especially the procure-to-pay and order-to-cash processes."

50 Percent Reduction in Transaction Costs

By implementing new, automated processes that Microsoft Dynamics NAV supports, Bradshaw more than halved its costs per transaction—a key goal when searching for and implementing the solution. Weiner notes that the company had to slim down significantly to make it through several years of a rough economy, but that it was able to do so by using its new, more efficient processes. "We've definitely met our primary goal of reducing the cost per transaction," says Weiner. "Today, we are handling 25 percent more

“Since deploying Microsoft Dynamics NAV, we’ve reduced our inventory by 20 percent.”

Lee Weiner, CFO, Bradshaw

Bradshaw employees regularly use computer stations in the warehouse to ship orders and look up part numbers.



transactions with roughly 20 percent less payroll costs compared to when we started. We can simply do more with less.”

The company completed its deployment in April 2008, just ahead of the economic recession that started later that year. Weiner credits Microsoft Dynamics NAV for helping the company overcome financial challenges. “Like most other businesses, we were impacted by the economic downturn,” he says. “With Microsoft Dynamics NAV, we have control over our business so that we can navigate through economic challenges and still be in an enviable competitive position.”

With lower transactional costs, Bradshaw is better positioned to expand in the competitive market for desktop printer parts. And, because Microsoft Dynamics NAV handles multiple languages and currencies and automatically generates export documents, the company can more confidently handle a growing international business.

Improved Cash Flow and Margins

Equipped with Microsoft Dynamics NAV, Bradshaw employees can make better decisions based on shared, real-time information. “We’re no longer relying on disconnected systems and spreadsheets,” says Weiner. “This helps our employees in areas like collections and purchasing where it is critical that they have the latest information. Since deploying Microsoft Dynamics NAV, we’ve reduced our inventory by 20 percent. And, with the Lanham E-Ship and E-Receive modules, we’ve virtually eliminated errors in the shipping process and thereby significantly reduced the amount of returns.”

Improved decision making has led to improved control over finances at Bradshaw. “In the distribution industry, the

most important aspect to success from a finance perspective is managing our working capital,” explains Weiner. “With Microsoft Dynamics NAV, we have the integrated tools to increase our inventory turns, reduce the time required to receive payments from customers, and manage vendor relationships while ensuring timely payment. These capabilities are crucial, and Microsoft Dynamics NAV offers excellent tools for achieving these goals.”

Managers at Bradshaw have the insight they need to minimize costs and increase revenue. “The ability to get to information quickly and drill down to the transaction level for details helps me and other decision makers at the company make decisions faster,” says Weiner. “We can take proactive action to fix issues before they become problems, rather than simply reacting to something after the fact.”

Stable, Easy-to-Use Technology

Compared to its previous ERP system, Bradshaw notices how much easier Microsoft Dynamics NAV is to maintain and use. “The solution is reliable and much easier to maintain than our previous one,” says Weiner. “Now, our IT team spends more time on projects that help our business grow, like deploying EDI functionality, refining our business processes, and implementing other new technology improvements like voice-over-IP phones.”

Relatively few employees at Bradshaw used the previous Sage ERP Accpac system because of its complexity, but people feel comfortable using Microsoft Dynamics NAV because it is simple and intuitive. “We had long-term employees who never touched our computer stations in the warehouse,” says Haney. “But now, with Microsoft Dynamics NAV, they regularly use the stations to ship orders and look up part

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For more information about Bradshaw products and services, call (972) 644-7558 or visit the website at:

www.bradshawgroup.com

For more information about ArcherPoint products and services, call (866) 343-4517 or visit the website at:

www.archerpoint.com

numbers. Because it's easy to use, Microsoft Dynamics NAV helps our employees be more productive.”

Additional Resources

- [Find out more about ArcherPoint's Microsoft Dynamics NAV practice.](#)
- [Find out more about the E-Ship and E-Receive add-ins from Lanham Associates.](#)
- [Find out more about the Microsoft Dynamics NAV User Group.](#)

Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to:

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