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Furniture wholesaler doubles volume with 50% increase in warehouse efficiency using Everest

“ I think iCode's service department is excellent, and that has been a huge help for us to get through the challenges of our business. OFM depends on Everest. ”

- Abel Zalberg
Owner & Vice President



Everest integration includes:

Accounting
E-Commerce
Point of Sale
Inventory control
Shipping/Receiving
Purchasing
Return Authorization (RMAs)
Contact Management
Sales
Marketing
Service

Key features & functionality used by OFM, Inc.:

Accounting

- General ledger
- Accounts receivable
- Accounts payable
- Financial statements

Sales

- Quotations
- Sales orders
- Multiple shipping/contact addresses

Inventory Control

- Serial number tracking
- Manage non-serialized items
- Graph inventory levels

Basic Manufacturing

- Bill of materials
- Work orders

Management

- Custom reports

US Payroll

- Automates regular & supplemental payroll
- Auto-fill payroll forms

Company Background

Office seating solutions

With ten years of business expertise in office furniture solutions, Abel Zalberg set up OFM, Inc. in 1995. Specialized in office seating, OFM has a manufacturing facility in Taiwan, a distribution location in California, and a wholesale unit in North Carolina. Selling to retailers, e-retailers and mail order companies across USA, OFM strives to exceed its 2,600 customers' expectations by providing top quality office furniture goods and service. OFM is committed to provide good service, good quality, fast and safe delivery.

OFM runs on iCode's Everest.



“ Everest is a pretty strong system-it does just about everything you need it to do. I am a proponent of the online store. On real thought, I think that's a fantastic feature that is offered. I would definitely recommend it. ”

- Abel Zalberg
Owner & Vice President

The Challenge

With QuickBooks no longer able to meet his business requirements, Zalberg, OFM's owner and vice president, recognized the need for reliable software that would increase the integrity and accountability of the company's accounting practices. "QuickBooks is just not an acceptable accounting package for us at this stage in our company's growth — it's too easy for someone to use questionable practices in QuickBooks without any way to trace it. For instance, after an invoice had been made and payment received from the customer, anyone could actually delete it and no one could trace the change. We could not operate under such conditions. There were no checks-and-balances in the system."

In addition, it would take three full days a week to run reports — an exercise that works out to \$93,000 per year in manpower costs.

Zalberg started to assess different accounting software, seeking more integrity and greater efficiency; he evaluated Solomon and others, but none provided the ability to track changes and prevent duplication of orders. To overcome these operational issues, Zalberg chose iCode's Everest Standard Edition.

The Solution

OFM keeps a separate tally of inventory for the warehouse location; Everest helped Zalberg integrate the accounting and inventory control for the warehouse, and the managing of bin locations. They have a better handle on inventory control without having to oversupply or overstock, and are able to improve their operating costs with real-time inventory control, "when our suppliers call, we are able to tell them exactly what we need."

Now, with the help of Everest, it takes 80% less time to run OFM's weekly reports, saving 24 man-hours a week and saving the company about \$87,000 per year. "Everest gives us real-time inventory and real-time reports, which are very timely and very informative."

Everest has not only made their business more efficient, it has nearly doubled Zalberg's productivity, too; he spends more time focusing on the big picture and not getting bogged down with the details of day-to-day business.

At OFM, Everest makes life easier for all employees. "We believe in the reliability of Everest," said Zalberg. "We are definitely running more smoothly and more efficiently. It takes a lot less time to run reports, less time to do payroll, and less time to do inventory than ever before."

Everest creates a customer's original sales quote faster and saves even more time converting sales orders into invoices.

With regard to business management, Everest has enabled OFM to handle double the volume with just one person added to the organization. According to Zalberg, the same number of people without Everest would not have been able to handle the growth. Now they are able to keep their inventory at a minimum, without overheads growing as rapidly as their sales volume.

At a 25% annual growth rate, OFM's sales have doubled while simultaneously increasing in efficiency. OFM has become 50% more efficient in the warehouse. Technically, it would have required four people to manage inventory. Now, with Everest in place and twice the volume, it takes only three. What also made a difference was being able to separately identify bin locations and not have to run around in a 30,000 sq. ft. building trying to manually search for items.

OFM, Inc. imports products, which implies long lead-times. Zalberg found the opportunity in Everest to initiate just-in-time inventory. That was accomplished with the Excellize functionality in Everest that enables data integration with MS Excel spreadsheets, effectively allowing them to pull information from the database. It also works as a predictive analysis tool, allowing them to accurately estimate what they would need to order ten weeks ahead. "People in the distribution business are importing a lot these days, and when you're importing it's usually a long lead-time. Everest almost creates a little crystal ball for me, which allows me to see into the future," explains Zalberg.

The Result

- 537% year 1 return on investment, with a ten-week payback period
- 50% increase in efficiency and the ability to handle twice the volume in the warehouse while reducing administrative overheads
- Improved operating performance analysis and decision-making abilities through Everest's real-time, daily reports
- Saved 24 man-hours per week, and \$87,000 per year on running reports
- Reduced inventory levels by 12% due to Everest's real-time inventory tracking capabilities
- Facilitates better and faster customer service through real-time customer account access



For more information: call 800-382-0725 from within the United States; International callers please call +1-703-961-8100; visit: www.icode.com or write: info@icode.com

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