

Fireplace parts wholesaler nearly doubles profit margins with Everest



www.target-wholesale.com

“ Everest is a trouble-free system and my three years experience with it has been excellent. ”

- George Catena
Owner, Founder & Manager



Everest integration includes:

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

Key features & functionality used by Target Wholesale:

Running web store operations

- Real-time integration with back-end accounting and business operations

Accounting

- Multi-currency

Sales

- Sales orders
- Multiple shipping/contact addresses

Inventory control

- Item matrix/ Multiple sub categories

Purchasing

- Purchase orders
- Generate/assign serial numbers on purchase orders

Selling products online

- Storing item descriptions in HTML

Company Background

Blaze King

Before starting out as a fireplace parts supplier and distributor, George Catena owner, founder & manager of Target Wholesale worked his way through as a mechanic and got into the contracting business. In 1977 he built a successful heating and air conditioning business and sold it 21 years later. Now operating out of Ontario, Canada, the company has established a niche in wholesaling and distributing fireplace supplies with a total commitment to support customers' needs.

Target Wholesale runs on iCode's Everest.





“Everest is certainly full-featured and it can do a lot of things — I don’t know what else I could ask for. Everest makes my business professional, accurate, and timely; it satisfies my customers and makes my job easier. I would definitely recommend Everest.”

- George Catena
Owner, Founder & Manager

The Challenge

Soon after going full-fledged as a fireplace parts wholesaler and distributor, Catena noticed the limitations of his services-oriented business management software. “We used a Novell-based Fox-Pro DOS product called HVAC software for a good fifteen years.” Though an integrated solution that worked well for a service business, Target Wholesale had to give it up, as it was not Windows-based, lacked in the inventory front, and was incapable of sub-grouping — a mammoth requirement. “Ninety percent of our phone calls had customers citing a fireplace of specific make and model number. This made it difficult to locate exact part numbers from over twenty manufacturers and hundreds of models.” Catena had to spend a lot of money to hire sales people with the requisite technical ability to decide and locate what the customer needed, and make a sale.

With costs out of control and inventories a mess, Target Wholesale experienced limitations with tracking inventory, and the lack of real-time access to critical information.

Catena evaluated a variety of different software; “it was like a demo every two days. IBM had some software; I went over there and they put on a show for us. We looked at Great Plains, JDEdwards, Business Vision, Mind Your Own Business, Simply Accounting, ACCPAC and Everest Standard Edition. iCode’s Everest was the only software at one price-level that could do that for us.”

The Solution

Supplying over 3,000 parts to more than six hundred contractors, Target Wholesale handles more makes and models now, running on Everest. Another objective to upgrade to Everest was to extend the business online. Catena sees his web store as his biggest potential to increase sales and cut down on overhead. “Once you get it up and running, you can add products in one side of the software which automatically pops-up on the other side, which is a time saving feature,” said Catena.

According to Catena the greatest advantage to the business has been the way up-to-date inventory is displayed.

The company’s growth in terms of sales has doubled in every year, since upgrading to Everest.

“Before, we were growing the business and trying to generate customers,” said Catena. “Now it’s completely reversed and we are making good money and the margins are higher. With information in the system easier to get to, Everest has everything that Target Wholesale needs.” Target Wholesale has nearly doubled their gross profit margins, from below 30% before Everest to 50% and rapidly increasing.

With all the information available in a click, the sales department can do a better job. “Using Everest is super-easy. I can hire someone and within an hour they understand the system and use it. Its good-looking icons call for only common sense to use. I have not had any people say anything averse.”

Customers are happier as they are not kept on hold. “We looked for software that would take away all that frustration and aggravation. When you phone our company, you are talking to the order person who can give you information faster than you can say it,” said Catena. With real-time data, information is up-to-date and accurate. The sales person can get into specifics through the notes, pictures and item descriptions stored in Everest.

Operating throughout North America, Target Wholesale has the ability to convert currency by using the multi-currency feature in Everest, cutting down on the accounting time.

Everest has been driving the company’s profitability, helping to gain new customers and helping to increase shipments, without having to increase overhead in the same proportion. Catena feels it would have been

impossible to increase business without Everest in place. “Upgrading to Everest has allowed me to keep my standards at the highest possible level and ship a lot more business,” said Catena.

Running the business on Everest gives Target Wholesale a competitive edge, making it a leader in their industry. The company now processes between 1500 and 1800 invoices during peak season compared with 300 before Everest. Target Wholesale ships the same day the order is placed.

It’s been three years since Target Wholesale chose Everest. Today, Target Wholesale is fully implemented on Everest Advanced Edition.

“Down the road, I envision staying with Everest for a long time as it certainly does the job at hand,” said Catena. “I think I could double my business this year and that’s what I am shooting for with just adding two people instead of four. It looks like I will firm up with a barbeque grill manufacturer to handle their parts business; I am super happy with Everest.” Catena targets doing 40% of his business online, and hopes to expand into newer markets.

The Result

- 6 times increase in volume with twice the employees
- Ability to process 1800 invoices as compared with 300 invoices
- Doubled their gross profit margins from below 30% to 50%
- Saved time with real-time information
- Doubled sales growth every year
- 5% increased sales with the web store and reduce headcount

