

CUSTOMER SUCCESS



Sage FAS Fixed Assets Keeps Group 1 Automotive in the Driver's Seat

Group 1 Automotive, Inc. owns and operates more than 100 automobile dealerships across 14 states. Since its initial public offering in October 1997, Group 1 Automotive has grown to become one of the top five dealership groups in the United States, with annual sales in excess of \$6 billion. Sage FAS Fixed Assets is the solution this Fortune 500 company uses to manage its fixed assets.

Drive Asset Tracking Home

Just a short time ago, Group 1 Automotive had few formal policies and procedures in place for tracking its fixed assets and was assigning much of the work of tracking fixed assets to outside firms. As a publicly held company, management recognized the need to be fully accountable for all corporate expenses, including its fixed assets. In response to that need, Group 1 Automotive selected Sage FAS as its corporate-wide fixed asset tracking solution.

Group 1 Automotive looked at several systems, but ultimately decided that Sage FAS has the functionality the company was looking for. "Sage FAS gives us the accuracy and efficiency we need," says Ron Barnhill, director of taxation for Group 1 Automotive. "It gives us the ability to put a fixed assets tracking tool in the hands of our dealerships and regional accounting people for more standardized asset tracking across the company."

The automotive industry is very competitive and keeping a close eye on expenses is one way to ensure profitability. "Expenses are a big item, and a major factor of interest to investors and stockholders. Safeguarding our assets and the investment they represent is very important to us," says Robert Kennedy, CFO of Group 1 Automotive's Central Region. "We purchased Sage FAS so we could bring fixed asset tracking in-house for better control."

Boost Control and Standardization

By centralizing the administration of its fixed assets, Group 1 Automotive streamlines the process of managing this valuable aspect of its business. "We built in the controls and standardization tools that allow us to continue tracking the assets at a local level for efficiency, while controlling and overseeing the process at a corporate level," Barnhill says.

For example, within the South-Central region of Group 1 Automotive there are 50

Customer:

Group 1 Automotive, Inc.

Industry:

Automotive

Location:

Houston, Texas

Number of Locations: 107

Number of Employees: 500+

System:

Sage FAS Fixed Assets

Sage FAS Asset Inventory

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CHALLENGE

Group 1 Automotive lacked formal policies and procedures for tracking its fixed assets, and assigned much of this work to outside firms. The company needed standardized fixed assets tracking and the ability to bring the process in house.

SOLUTION

Sage FAS Fixed Assets and Sage FAS Asset Accounting are the solutions Group 1 Automotive selected to efficiently manage its thousands of fixed assets.

RESULTS

The company can track its assets at the local dealership level while overseeing and managing the process from a corporate level. Barcodes streamline the physical count cycle and automatic depreciation calculations saves time and increases accuracy.

dealerships, with each dealership holding from 100 to 1,000 assets. With Sage FAS, one individual is able to track assets for all 50 stores. “It’s a big job, but it’s not my only job. The efficiency of Sage FAS makes it possible for me to handle this task and many others,” says Matthew Bjornjeld, financial analyst for the company.

Taking advantage of the flexibility of Sage FAS, Group 1 Automotive has added dozens of custom fields into the asset database to allow the software to better meet its business needs. “We also have ability to attach photos, invoices, maintenance contracts, and warranty agreements to the asset records in Sage FAS,” adds Kennedy.

Streamline Tracking Using Barcodes

Group 1 Automotive utilizes the Sage FAS Asset Inventory module to streamline the physical tracking of its assets. Each item is assigned a barcode consisting of its asset number. On an annual basis, the company performs a physical count of its assets using a barcode scanner.

Using the import tools within Sage FAS, Group 1 Automotive built a standard import template to ensure the consistency of the information it collects across the company. This standard template is used at the dealership and regional level to import data into Sage FAS.

“Sage FAS is of tremendous help in the maintaining the accuracy of our fixed assets,” says Daphne Roming, fixed assets specialist with Group 1 Automotive.

Streamline Monthly Procedures

The company has a tight monthly closing schedule, requiring its stores to close their books and submit their numbers to corporate in a timely fashion. “Sage FAS calculates our depreciation expense automatically. The automated calculation helps us out a great deal,” says Marty Angermiller, associate manager capital budgeting and accounting. “Sage FAS makes my job much easier—I’d hate to be without it.”

“At Group 1 Automotive, we strive to maintain excellence in everything we do, and Sage FAS has definitely played a part in helping us achieve that excellence.”

Depreciation reports are produced in Sage FAS and distributed from the corporate office to the individual dealerships every month. “It is very simple to create any report you need within Sage FAS,” says Roming. “Most of the reports we need are standard with Sage FAS, however it is very simple to modify a report for a specific need.” Sage FAS also gives the company the ability to design a custom report if needed.

“At Group 1 Automotive, we strive to maintain excellence in everything we do, and Sage FAS has definitely played a part in helping us achieve that excellence,” Angermiller adds.

“I’ve been doing this line of work for a long time and I’ve used other fixed asset systems—Sage FAS is the best one,” concludes Kennedy.

If you would like to learn more about Sage FAS, please visit www.sagefas.com or call 1-800-368-2405 to speak with a representative today.



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