

# Sage ERP X3 | Customer Success

## Sage ERP X3 Helps Aceto Corporation Manage Complicated Compliance Regulations

Publicly traded Aceto Corporation is a global leader in the importing and distribution of over 1,000 chemically derived pharmaceuticals, biopharmaceuticals, specialty chemicals, and agrochemicals used principally as raw materials in the pharmaceutical, agricultural, color, surface coating/ink, and general chemical consuming industries.

### System Evaluation

Aceto had been operating on a legacy system that was antiquated and lacked integration. Already subject to a myriad of U.S. government regulations, including MSDS requirements for the handling of hazardous materials and intense scrutiny by the FDA, the company faced new demands stemming from the Bioterrorism Act and the Customs Trade-Partnership Against Terrorism (CT-PAT) program as well as the enactment of the Sarbanes-Oxley Act.

Many of the compliance activities were handled by manual processes with various spreadsheets, leading to insufficient controls with limited real-time reporting. The company recognized the need to implement a new back-office system, but the increasing demands placed on publicly traded companies absorbed available corporate resources.

As a result, Aceto enlisted the help of a Sage business partner to define its needs and assess ERP vendor options. The Sage business partner reviewed Aceto's business processes and requirements and helped the management team secure approval for the large project.

Aceto preferred that its new solution provider be experienced in implementing ERP software systems in the chemicals industry. After reviewing presentations from six companies, Aceto narrowed the list to Sage and competitor JD Edwards. The company selected Sage ERP X3 because it was the best fit for the size, scope, and complexity of the project.

"Our goal was to implement a system that would provide broader, deeper, and more efficient processing capabilities without sacrificing business-critical functionality," says Terry Steinberg, vice president & CIO of Aceto. "Sage ERP X3 offered the best combination of functionality, technology, value, and implementation methodology of the systems we evaluated. And it had the flexibility and the scalability we needed to support our expansion and evolving business model."

Aceto also recognized that the functionality offered by Sage ERP X3 was the best value for the price. Sage ERP X3 provides a complete array of industry-specific functionality required by chemical companies including the management of formulas, certificates of analysis, potency, by-products, multiple packaging units per product, shelf-life, lot control and traceability, specific gravity, and weight calculations.

### Customer

**Aceto Corporation**

### Industry

Chemical importer and distributor

### Location

Lake Success, NY

### Number of Employees

210

### System

**Sage ERP X3**

### Challenge

Aceto faced a multitude of compliance issues affecting its industry and had to manually track the required data in spreadsheets.

### Solution

Following a comprehensive evaluation of possible solutions, Aceto selected Sage ERP X3 as the best fit for the size, scope, and complexity of the project.

### Results

Aceto is able to better manage its inventory, track foreign exchange costs, and control credit and order approvals. Sarbanes-Oxley compliance is simplified.

## The Implementation

With the help of the Sage business partner, Aceto assembled a team of key personnel who would be instrumental in executing the implementation. While each of the three business units shared similar business processes, each one also had certain unique processes. Aceto viewed this as an opportunity to standardize and improve processes across all business lines.

Sage ERP X3 offered the flexibility required to support Aceto's unique processes and was able to adapt to meet the company's specific needs. For example, when importing hazardous chemicals from overseas, companies are subject to country-specific regulations in addition to international business practices. The Sage ERP X3 services team configured the quality module in Sage ERP X3 to ensure that products go through a series of internal controls for the necessary documentation required to meet country-specific regulatory demands.

Additionally, Aceto was interested in a software add-on that provides an effective way to track its product in transit, which can be on a vessel for up to six weeks. This module, developed by the Sage ERP X3 services team for the U.S. market, in effect takes financial ownership of the product upon shipment and manages detailed tracking of the landed cost, including broker fees, terminal handling fees, ocean freight, inland freight, duty, and more. It collects additional detailed product information, such as a Certificate of Analysis, which is entered while the goods are in transit, instead of when they arrive at the warehouse. Inventory can be preallocated to sales orders from purchase orders, again before the goods arrive at the warehouse.

Once the enhancements were complete, extensive pilot exercises enabled users to become comfortable with the system and eliminate potential slowdowns in ongoing workloads.

## About Sage

Sage North America is part of The Sage Group plc, a leading global supplier of business management software and services. At Sage, we live and breathe business every day. We are passionate about helping our customers achieve their ambitions. Our range of business software and services is continually evolving as we innovate to answer our customers' needs. Our solutions support accounting, operations, customer relationship management, human resources, time tracking, merchant services, and the specialized needs of the construction, distribution, manufacturing, nonprofit, and real estate industries. The Sage Group plc, formed in 1981, was floated on the London Stock Exchange in 1989 and now employs more than 13,500 people and supports more than 6 million customers worldwide. For more information, please visit the website at [NA.Sage.com](http://NA.Sage.com) or call 866-996-7243. Follow Sage North America on Facebook at: [Facebook.com/SageNorthAmerica](https://www.facebook.com/SageNorthAmerica) and Twitter at: [Twitter.com/sagenamerica](https://twitter.com/sagenamerica).

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**Terry Steinberg**  
Vice President & CIO  
Aceto Corporation

## Results

With Sage ERP X3, Aceto's business processes are streamlined and automated. The company is finding it easier to comply with the financial reporting responsibilities placed on publicly traded companies. According to Steinberg, “We're completing our financial statements and Sarbanes-Oxley compliance more quickly, and it's a smoother process.”

Other configurations are enabling Aceto to better manage its inventory, track foreign exchange costs, and control credit and order approvals, and Aceto is managing its complicated compliance processes with confidence.