

Sage 100 ERP | Customer Success

Monarch Computer Systems Takes Wing With Sage 100 ERP

Founded in 1991, Monarch Computer Systems is a direct supplier of computer systems and related products, much like Dell or Gateway. At a 25,000 square-foot facility near Atlanta, Monarch's technicians use aggregate parts to build AMD processor-based desktop PCs and high-end servers.

Monarch is one of America's top 100 system manufacturers, with a rapidly increasing e-commerce presence. Recently honored with AMD's Crystal Wafer Award, Monarch is also distinguished as an Intel Premier Provider, a member of the Seagate VAR Partners Program, a Microsoft® Gold Certified Partner and Certified Solutions Provider, and one of only six NVIDIA Select Builders worldwide.

Grounded by Sales Momentum

Monarch was content with its Sage 50—U.S. Edition system for years. Then something big happened in 1999—Internet sales. Almost overnight the e-commerce market propelled Monarch into flight. Last year alone, Monarch capitalized on over 80,000 discrete web transactions.

"We jimmied up Sage 50 for as long as we could, because we liked it so much," says Andrew Levy, Monarch's CFO. "But our volume required a midtier accounting system to stay successful."

Monarch needed a software system that matched its business model, provided excellent management reporting, and "... could help improve process flow and add integrity to the overall information flow."

The Power and Room to Grow

Sage 100 ERP* gave Monarch the robust power it needed. The end-to-end solution is fed by up to 14 databases and manages every aspect of Monarch's retail and distribution business. A rich collection of add-on modules does everything from streamlining inventory processing to improving profitability on returned products.

*Sage 100 ERP was named Sage ERP MAS 200 when Monarch Computer Systems, Inc. initially implemented this solution. The product names have been updated in this case study to reflect current naming.

Customer

Monarch Computer Systems, Inc.

Industry

Computer parts and systems retailer

Location

Tucker, Georgia

Number of Locations

One

Number of Employees

43

System

Sage 100 Advanced ERP

- Accounts Payable
- Accounts Receivable
- Bank Reconciliation
- Bill of Materials
- Business Alerts
- Sage Fixed Assets
- General Ledger
- Inventory Management
- Purchase Order
- Return Merchandise Authorization (RMA)
- Sales Order

Challenge

Acquire a system that has the power to manage large-volume Internet sales and the accounting capabilities to support them.

Solution

Sage 100 ERP and the Inventory Management, Return Merchandise Authorization, and StarShip modules.

Results

Resolved transaction/accounting issues; streamlined processes and increased efficiency; transformed the return department from a loss to a profit center; enhanced customer satisfaction; improved employee morale.

“We are now as dynamic as we can be, thanks to Sage 100 ERP,” Levy notes. “The migration has allowed us to see and do things differently and more effectively use the hours that people are here. We’ve restructured job functions, since our employees tend to be well cross-trained, and have been able to avoid hiring, even in the face of a massive growth in sales.”

Item selections on Monarch’s website can change two or three times a day. Prices on certain SKUs are in a constant state of flux. “Sage 100 ERP lets us make all these changes quickly and effectively—a necessity in our fast-paced industry,” Levy comments.

The Inventory Management module allows Levy to manage cash flow proactively. “Timing our purchases can be tricky,” he explains. “I have to compare what’s on hand with what’s available, on purchase order, sales order, or backorder. Sage 100 ERP lets me do all this at a glance.

“Often I even have negative availability in inventory now,” he continues. “This is ideal, because it means we’ve sold something before we have it, and must fulfill to get back to zero. I could never trim numbers this low without Inventory Management.”

The Return Merchandise Authorization (RMA) module has transformed Monarch’s return department from a loss to a profit center. The module assigns a tracking number to each returned item, specifying whether replacement, repair, or credit is needed. Then it monitors progress through appropriate warehouses or back to a vendor until the customer is ultimately fulfilled.

“The dollars in RMA are huge, because returned inventory is dead money,” Levy says. “If a vendor forgets to fix or replace a part, we’re left holding the bag. This makes a real mess. But now with the RMA module, we have a smooth process flow and are more accountable to our customers. We’ve greatly improved our turnover and conversion rate. I’m actually squeezing cash out of this area again.”

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Andrew Levy, CFO
Monarch Computer Systems, Inc

The StarShip module integrates data from Monarch’s business system with its major shipping carrier for seamless record keeping. Levy says that he benefits by recognizing a sale the instant it leaves the warehouse. He adds that the module helps everyone work smarter.

“Sage 100 ERP is the answer to almost every accounting and transactional issue we had in the past,” says Levy. “It has helped us improve corporate efficiencies—both in management reporting and operations, vastly enhance customer satisfaction, reduce employee frustration—and gives us plenty of room to grow without overstressing our infrastructure.”

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 12,300 people and supports more than 6 million customers worldwide. For more information, please visit the website at www.SageNorthAmerica.com or call 866-996-7243. Follow Sage North America on Facebook at: <http://www.facebook.com/SageNorthAmerica> and Twitter at: <http://twitter.com/#!/sagenamerica>.