

CUSTOMER SUCCESS



Monarch Computer Systems Takes Wing With Sage MAS 200

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 Peachtree by Sage 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 Peachtree for as long as we could, because we liked it so much," says Andrew Levy, Monarch's CFO. "But our volume required a mid-tier accounting system to stay successful."

They needed a software system that matched their 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 MAS 200 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.

"We are now as dynamic as we can be, thanks to Sage MAS 200," 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."

Customer:

Monarch Computer Systems, Inc.

Industry:

Computer parts and systems retailer

Location

Tucker, Georgia

Number of Locations: One

Number of Employees: 43

System:

Sage MAS 200

- Accounts Payable
- Accounts Receivable
- Bank Reconciliation
- Bill of Materials
- Business Alerts
- FAS Asset Accounting
- 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 MAS 200 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.

Item selections on Monarch's Web site can change two or three times a day. Prices on certain SKUs are in a constant state of flux. "Sage MAS 200 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 MAS 200 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."

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 MAS 200 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."

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ABOUT SAGE SOFTWARE

Sage Software supports the needs, challenges, and dreams of more than 2.7 million small and mid-sized business customers in North America through easy-to-use, scalable, and customizable software and services. Our products help manage a complete range of business functions including: accounting, operations, customer relationship management, human resources, time tracking, merchant services and the specialized needs of the construction, distribution, healthcare, manufacturing, nonprofit, and real estate industries.

