

Aquacorp South Australia, Australia

Aquacorp Pty Ltd is a leading water treatment specialist which largely focuses on the provision of solutions for the light commercial business sector.

Headquartered in the western Adelaide suburb of Underdale, the company markets to retailers around Australia and also has an office and small warehouse in Brisbane. The latter will typically hold some 200 stock keeping units, while the South Australian operation has 5000 plus SKUs.

Background

A MYOB user for eight years, Aquacorp had become increasingly aware of shortcomings in its inventory management and control procedures.

With essentially no IT tools available for this important work, the supervision and review of stock was a highly manual process. And as Aquacorp manager Michael Johns noted, "To achieve what we wanted to do simply took too much time".



"There was a whole wealth of information that we would have liked to have read and simple access to. But this was not available. Historical inventory data was very incomplete. While reporting was very basic and inadequate. "

As Mr. Johns pointed out, this scenario had an impact on many areas of the business.

"We sell kits that are generally made up from several individual components. However, without the ability to know if these are all in stock – on a real time basis – there was the very real danger that salespeople would be taking orders we could not immediately fulfill. Which obviously presented a very real threat to customer service.

"Likewise for purchasing. For that to be fully effective they need to know precisely what we have in stock and the comprehensive history of each and every component.



For us, traditionally, some of that key data just wasn't there while some other information demanded a lot of time consuming manual review.

That meant that producing a purchase order took us three days when it should only have taken one. And because we could not be certain we were ordering on time, there were implications for back orders and delivery delays."

Against such a background, Aquacorp had, in 2008, begun a review of additional computer options that might be used. But as Mr. Johns adds, it was after the challenges and frustrations of our 2009 stock-take "that we finally decided to bite the bullet."

CASE STUDY

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Partnering with Epitome and Ostendo

After a detailed review of available options, Aquacorp elected to install the Ostendo software solution, supplied and supported by Epitome.

As Mr. John's says, "Epitome showed us that everything we wanted to do was readily achievable and for an investment that was highly cost justifiable. The system looked – and has proved to be – very user friendly; very easy to learn and use. Which is an absolute must.

"We were also impressed by Epitome's very good support base, which we felt was important."



"Our strategy was initially to have two staff members learn everything relevant about the system. And for this we used a range of options strongly drawing on the extremely helpful and practical on-line training tools that Epitome offer.

"Those staff, in turn, helped all our other team members become conversant with the new IT, with everyone now using Ostendo in some way."

Outcomes

- Enhanced cash flow. Using Ostendo customer invoices can now be raised on the day goods are dispatched. Previously this would take two to three weeks.
- Saving considerable amounts of staff time as there is no longer a need for complex manual calculations.
- Greatly improved inventory reporting.
- Streamlined purchasing with more orderly and fact driven purchasing.
- The availability of fully up to date and accurate stock information on-line. A benefit that spreads across the company.
- Confidence in sales that delivery commitments can be met.
- The ability to have the Brisbane office on-line for up to the moment inventory management.
- No delays in bringing computer screens up and no processing delays as Ostendo is ideal for multi-user activities.

Future Directions

While Aquacorp has quickly and successfully installed all of its targeted inventory reporting, Mr. Johns suggests that the company is now starting to look at other capabilities that are available. "We are only just starting to scroll the full range of services the system can deliver, to see where these might also bring benefit."

Postscript

"With inventory, accuracy is king. And being able to access that data in real-time is essential. I guess that what keeps most inventory managers awake at night is the thought of having to go to the boss any saying 'we're going to have to write this stock off'. OR that 'we can't meet that promised customer order'. Effective IT means these are not an issue. "

Mr. Michael Johns, Aquacorp Pty Ltd