

Building on Growth at ETAG Fixings

Managing growth can be as challenging as starting a new company. ETAG Fixings, a one-stop-shop for building supplies to the construction industry, implemented an Advent-supplied Sage accounting and management solution to ensure that it built on every opportunity.

In 2006, building suppliers ETAG Fixings and Pheiffer Lynch merged to form one of Ireland's largest one-stop-shops to the construction industry. Providing a vast range of fixings and products, the combined operation continues to grow rapidly.

ETAG now has a customer base of over 3,000 construction companies, plumbers, electricians and carpenters. Straining to accommodate this rapidly growing customer base, and with thousands of lines of product to manage, ETAG Fixings was looking for methods to help it manage that growth.

'The company is experiencing dynamic growth and needed to improve its processes to enable us to manage our business more closely,' Liam Lynch, Managing Director, ETAG Fixings explains. 'We needed a comprehensive solution that would enable us to streamline all accounting, stock control processes and reporting requirements.'

ETAG turned to Advent Processing Solutions, Sage Ireland's largest Business Partner and one of Ireland's most knowledgeable business software and I.T. solutions companies.



**Sinéad Hayes (left), Sales & Marketing Manager, Advent
Lorna Dervan (centre), Senior Administrator, ETAG
Liam Lynch (right), Managing Director, ETAG**

Powerful Solutions from Advent

'In order to provide the right solution, we first have to understand the precise customer requirements at any given time,' Sinéad Hayes, Advent Sales & Marketing Manager explains. 'ETAG was growing rapidly. We knew that they required not only a system that would help them to manage that growth, but that would also grow with them.'

ETAG was already an Advent Sage solution customer. Having purchased and implemented the Sage Line 100 system some 7 years ago, ETAG recognised not only the advanced functionalities that Sage software solutions could offer to its users, but also the outstanding capabilities and support that Advent provided. To accommodate their rapid growth, Advent subsequently upgraded ETAG Fixings from Sage Line 100 to Sage 200 version 2.2 (formerly Sage MMS) in 2005.

In October 2006, and with the release of the latest version, Sage 200 v3.5, Advent recommended this upgrade to ETAG. Sage 200 v3.5 offered a host of new and exciting features which would benefit ETAG. 'Designed on a .NET platform, and using stable and robust SQL back-end database technologies, this innovative system provides a wide range of powerful capabilities including stock control, flexible reporting features, complete P&L reporting and standard accounts.

But what makes Sage 200 v3.5 highly relevant to ETAG is its ability to manage growth,' Sinéad points out. 'Its inherent flexibility literally allows it to grow as a company grows.'

Exceptional Power and Visibility

Lorna Dervan, Senior Administrator, ETAG Fixings, has been very pleased with the results of the company's decision to move to Sage 200 v3.5, as she explains: 'We implemented Sage 200 v3.5 not only for its accounting and stock control capabilities, but also for its user friendliness.'



ETAG Fixings has grown from a turnover of €10,000 per month to one that now boasts monthly turnover of over €1 million.

Staff has grown from 2 to 50 within a short timeframe. The company has ambitious plans for further growth and chose Sage 200 v3.5 because it is a cost-effective, easy-to-install solution that provided accessibility, flexibility, and ease of use.

'We are bringing in new staff all the time and the need for a user friendly solution was very important as we are continually training people,' Lorna explains. 'The Sage solution is very easy to use, and new personnel are up and running quickly.'

Multiple Locations

With their growing business ETAG has also grown its locations. With 2 remote sites in Galway and Ashbourne, staff can dial into the head office using terminal services to process orders and transactions with information updated immediately. All 3 site depots also manage stock through the Sage 200 solution, giving ETAG the ability to create reports and enquiries at all 3 depots.



'Prior to the installation of the new system, and due to our exceptional growth, we had some problems with stock control and

stock taking procedures,' Lorna explains. 'We hold over 6,500 stock items for over 3,000 customers. Now stock is automatically updated through the sales and purchase order processing routines and we know exactly what stock we have and when we need to order more.'

Through Purchase Order Processing in Sage 200, ETAG are able to maintain optimum stock levels by using the minimum, maximum and re-order levels attached to each stock item and ordering stock as indicated through the system.

Advent's software development team also customised the solution for ETAG's specific customer pricing detail requirements. Prior to the Sage 200 installation, staff at ETAG had been pricing products manually. 'Previously we were not using the system for full stock control, however the flexibility of Sage 200 means we can keep much tighter control of where everything is,' Lorna states.

Extensive Reporting

Sage 200 v3.5 provides comprehensive drill-down capabilities, as well as a wide range of reports that can be designed to meet customers' specific requirements. ETAG benefits from those capabilities. The Sage 200 solution can determine:

- profit margins on specific line items;
- best selling/highest volume sellers;
- precise stock on hand;
- the exact location of specific stock line-items within a wide range of locations.

Its comprehensive reporting systems and archived histories can help managers to determine past volume sales per line item, thereby assisting in the forecast of future sales. With that information to hand, managers can minimise financial capital tied up in stock, while also working to avoid stock out situations. Consequently, Sage 200 can help companies to achieve higher profitability, while minimising expensive stock-on-hand.

In addition to standard Sage 200 reports, Advent have provided ETAG with a suite of Sales Reports. 'These reports help us gain valuable information on volume sold, sales and profitability by product, product group and customers,' says Lorna.

'The new system has greatly improved the quality of information we can get,' Lorna concludes. 'We can now easily see what products customers are buying, who our top customers are, and what value they represent.'

'Sage 200 v3.5 helps us to focus our time more effectively, enabling us to spend less time in the office and more time with our customers.'

At a Glance

ETAG's Software Upgrades

1. Sage Line 100
2. Sage 200 Version 2.2
3. Sage 200 Version 3.5 (SQL-based)

What is Sage 200?

Sage 200 is Sage's state-of-the-art mid-range business solution. The robust solution is written using the latest .NET technology and powered by Microsoft SQL back-end platform.

Benefits of Upgrading to Sage 200 v3.5

- Flexible period end controls
- Advanced multi-currency functionality
- Improved contact management with ability to define roles within organisations
- Improved stock management features
- Enhanced drill-downs and visibility
- Improved user interface - very easy to use

The Next Step for ETAG

Implementation of Sage Document Manager (Spindle) which will automate the distribution of all system documents such as Purchase Orders, Invoices, Statements & Remittances electronically by email and/or fax.

For further information on Sage 200, contact:

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