

CUSTOMER SUCCESS



Sage MAS 200 Helps Keep the Lights On in New York

In the heart of Manhattan, Chelsea Lighting brings a lot of light to the big city through its valued customers. The company supplies lighting fixtures to general contractors and electricians, who install them in their construction projects. Steven Berg, the owner, was already in the lighting business when he decided to venture out on his own. In 1994, he rented a small office in Manhattan, and together with a partner began beating the bushes for business.

“During the first years, the strong sales efforts by the owners helped Chelsea Lighting develop a customer base,” says Michael Petruzzi, project executive. “Since then, we’ve grown because our customers keep coming back. They are happy with our service. This is partly because we’ve always done a good job of tracking projects and delivering what the customer ordered, on schedule. Of course, our prices remained competitive, too.”

Running on Reserves

Steven Berg recognized from the start that Chelsea Lighting would only grow if it had an effective system for tracking jobs and managing accounts. Costs also had to be kept low, since every project was won, or lost, in a competitive bid. The dilemma was how to provide maximum service at the minimum price.

Berg resolved the dilemma by purchasing Sage MAS 90 ERP right from the beginning. “To keep ahead of the competition, we had to utilize software that brought people up to speed quickly and processed information in a single step,” reports Petruzzi. “That’s where Sage MAS 90 came in. The software enabled us to manage our entire business with very few technical people. Most new hires were up and running with little training.”

Lean staffing translated into a lower cost of operations. An efficient system translated into better service, and repeat business. The result was successful growth. However, at five years old, the company’s system was getting overtaxed. From only four people in the beginning, Chelsea Lighting now had 17 employees and many more customers. It was the right time to introduce a computer enhancement and upgrade to the next step in the Sage MAS 90 product family—Sage MAS 200 ERP.

Customer:

Chelsea Lighting

Industry:

Commercial lighting distributor

Location:

New York, New York

Number of Locations: Two

Number of Employees: 17

System:

Sage MAS 200

- Accounts Payable
- Accounts Receivable
- Bank Reconciliation
- Business Alerts
- Crystal Reports®
- Custom Office
- FAS Asset Accounting
- General Ledger
- Inventory Management
- Job Cost
- Payroll
- Purchase Order
- Sales Order

CHALLENGE

Replace an overloaded system with one that will accommodate future growth surges and automate and integrate accounting and inventory for two locations.

SOLUTION

Sage MAS 200 financial and distribution modules.

RESULTS

Fully integrated and automated accounting and inventory systems; real-time status reports for proactive and strategic management; enhanced network access and improved efficiency; positioned for future growth.

Surging Ahead With Sage MAS 200

“Sage MAS 90 put us ahead of our competition,” explains Petruzzi. “We wanted more powerful, flexible software, and decided to move to Sage MAS 200.”

Sage MAS 200 has tremendously expedited paper flow, and enabled Chelsea Lighting to share inventory information in real time between two locations—a technical improvement that has resulted in a significant competitive advantage. In addition, the accounting functions are fully integrated and automated. Sage MAS 200 processes the invoice from the vendor and sets up a payable to the vendor and an invoice to the customer. Although the firm retains a controller for credit and collections, only one clerk is required to handle all of the company’s billing and accounts payable functions.

Sage MAS 200 tracks everything. After the sales order is entered into the database, it’s easy to follow the flow. Sage MAS 200 acknowledges the customer order, and then prices, and automatically prints purchase orders to the factory vendors. Based on vendor response, a status report is sent to the customer stating when delivery can be expected. Potential delays can much more easily be monitored and avoided. By glancing at a one-page report, managers can see which areas in the process need to be accelerated to deliver the fixtures on time.

“Now Chelsea Lighting has greater printing flexibility. Even more importantly, the system is faster, and more people can work on the network at the same time,” Petruzzi says. “Every sector of our business has been augmented by the upgrade. Our biggest flow items are invoices, purchase orders, status reports, and billing. With all the processes integrated, anyone in the company can access an up-to-the-minute status report on any aspect of a particular project. We are ready to do business well into the 21st century.”

Chelsea Lighting strives for an “enlightened” strategic direction, planning for future needs, and enhancing computer systems before being engulfed by problems. The upgrade to Sage MAS 200 has put Chelsea Lighting ahead of the game again—which is where they like to be.

“Sage MAS 200 tracks everything at Chelsea Lighting. After the specs for a bid are entered into the database, it’s easy to follow the flow.”

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.

