

Midwest Distributor's Trends Come Into Focus With MITS



Headquartered in Milwaukee, Wisconsin, RJ Schinner has been in business for over 50 years and has 8 locations across the Midwest, from the Dakotas down to Texas. RJ Schinner operates as a redistribution specialist, or as Jerry Boughner, RJ Schinner's CIO puts it, a 'wholesaler to wholesalers'. Their business model consists of purchasing food service, paper, janitor/sanitation, and grocery supplies from over 200 manufacturers and repacking them on pallets for customers who are unable to buy full or half truckloads. This allows RJ Schinner's customers to mix and match their order, while still taking advantage of the favorable pricing terms offered to a large purchaser.

Prior to Jerry's CIO role, he had worked at RJ Schinner in sales and customer service for a total of 11 years, giving him unique insight into the technology behind his company's ERP. What he found was a data system that provided no easy, uniform way to analyze and disseminate the sales information gathered across several locations. "Asking the different branches to create pivot tables and graphs and then put it all together often resulted in 7 different people creating 7 different kinds of reports, with no cohesion whatsoever," explains Jerry. "It just became very cumbersome to get everyone on the same page, to determine how the company was actually performing. But the last straw came at our 2012 sales meeting, when we realized that as a company we had grown by 30%, but we were able to identify 2 million in lost sales. And we weren't managing those lost sales at all – probably 90% we hadn't even realized up until that point we had lost. That 2 million in lost sales was a wake-up call and was a big reason we decided we needed to get better at reporting and finding out in a timely manner what we had lost. But it's not all about the negatives, what we're losing, it's also about what we're gaining, where and why. This critical insight was something that we really needed to address to continue to grow as a company."

"The way the information is presented in the MITS system means our sales force doesn't have to analyze multiple reports to get the information they need - it's right there in front of them - and that's a huge benefit."

In searching for a new B.I. and reporting solution, RJ Schinner turned to several Eclipse customers, to ask them what they were using. Two companies kept coming up – MITS and another competitor. "The then CFO and now current CEO was all about cost – which was a main reason that there was even a competition between the offerings at all," Jerry remembers. "This other outfit appeared to have a lower initial cost, but after performing a total cost-benefit analysis on their product, which included a per-user licensing fee, the pricing fell in line and was no longer the primary consideration for us. It really came down to my decision, and I wanted something that was native to our system – and with MITS being an official Epicor business partner whose product actually worked on the server as opposed to having to export all the data outside of our company and then have it come back, was a big factor in my decision to go with them," Jerry said. "I've been in situations where you're exporting the data out, and too many problems and differences tend to occur. Plus I have an ever-expanding sales force and I didn't want to have the cost and trouble of continually going out and getting licenses for them. I liked the MITS system and how it showed to the sales reps – it was much easier for them to use."

Jerry continues: “The competitor’s system worked more on a filtered basis – like Excel. And you had to click a button or something before it would bring back the information. With MITS, a flash screen pops up and you can quickly and easily drill down to get the information you’re looking for – to me, this made for a more intuitive user experience than the other product.”

After the decision was made to go with MITS, the next step was installation. “We set the MITS installers up with a password and VPN to our new server, and from there it was pretty easy,” Jerry explains. “And the time line between purchase and testing the system was only weeks, which was great. We first started rolling it out to sales people and management. The feedback I got was that it was very easy to use; in fact I was looking at some of the responses to the MITS test I ran with our salespeople after they had been using it for about 7 months. Every one of them was excellent in their proficiency with using the system. They could fly around on it and get to everywhere they wanted to, I could ask them any question and they could answer it, etc. That is the nice thing about MITS - there is a lot of information, but it seems easy to disseminate.”

“The sales force is also very excited about the customer scorecard, which they print out before every customer meeting,” Jerry explains. “What it allows them to do is actually drive the meeting with the customer, because they have so much information from this one scorecard alone. They are able to talk about their successes, including their best buy lines and how they are increasing in some areas. They are also able to look at the decreasing buy lines and go ok, what’s going on here? Did I lose this to a competitor? Is it because of pricing? The sales force has such a wealth of information that they sometimes end up surprising the customer, who didn’t even realize they were ordering less because of a particular decline in sales.”

For RJ Schinner, the data trending functionality in MITS is proving to be an effective cost saver. “We really liked the way MITS trends data,” Jerry says. “With regard to sales, our sales force can now see within 30 days what’s happening to an account, as opposed to finding about it at the end of the year. Also we just had a customer that we ended up cutting off who went into chapter 11 bankruptcy shortly after that. MITS showed us the real-time decline in accounts receivable as it was happening, and allowed us to mitigate our losses. We caught it about 3 weeks earlier than we would have normally, saving us thousands in lost product.”

“Our President is using the system for branch analysis – where the sales are trending, where the gross profit is trending – and really diving into the way our business is going, from our buy lines from our manufacturers for example, to determine which branches are up, which are down, etc. Our CEO, who is a wizard at working an Excel spreadsheet, is doing the same type of high-level analysis – and he really loves the MITS system for that. He is spending around 50-60-% less time generating reports than he was prior to MITS.”

Time savings aren’t confined to management alone though. “If you look at our company, we have about 25 sales people who don’t spend any time anymore generating reports,” says Jerry. “The way the information is presented in the MITS system means they don’t have to analyze multiple reports to get the information they need – it’s right there in front of them – and that’s a huge benefit.”

About MITS

MITS helps hundreds of distributors and manufacturers leverage the data in their ERP and other business systems to make better decisions, every day and at every level of their organization. Established in 1996, MITS’ interactive reporting and business intelligence software combines industry best practices with the flexibility to meet the unique needs of every customer. From standard to custom reports, dashboards and scorecards, MITS drives sales growth, profitability, and operational efficiency for competitive advantage.

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