

Acumatica ‘a game changer’ for P. Cutajar & Co.’s Complex Distribution Management Operation



“Acumatica with Orbis DSD has given us a competitive edge when it comes to sales capturing and logistics. We see this as a business enabler.

– Clyde Attard, Sales Divisional Manager”

OVERVIEW

Malta-based P. Cutajar & Co., a wholesale distributor, realized it couldn't grow with its ageing financial system and patchwork of other software and systems it used to operate the business any longer. It implemented Acumatica with Orbis DSD gaining a single source of truth to run the entire business and streamlining complex distribution and logistics operation requirements.

KEY RESULTS

- Enabled a single connected platform, eliminating triplicate manual data entry
- Gained integration with third-party applications for ease of logistics and reporting requirements
- Reduced time to accomplish tasks by implementing a single solution, increasing employee productivity
- Streamlined and improved operations through automated workflows
- Eliminated “version of the truth” discussions with better access to data

CHALLENGES

P. Cutajar & Co. is a family owned company now into its 5th generation. P. Cutajar & Co. Ltd. is one of the leaders in the market distributing FMCG (fast-moving consumer goods) product. It also operates in the retail sector with 7 shops across Malta, which has some 500,000 residents.

The company handles more than 3,000 well-known branded products all which come with different handling and reporting requirements. The company operates in these main areas:

- Confectionary
- Beverages & Spirits
- Wine and beer
- Food & Frozen Foods
- Non-food items like household cleaning products

“All of this provides a number of logistical challenges,” says Clyde Attard, Divisional Sales Manager at P. Cutajar & Co. Ltd.

The company employs 90 Full-Time employees. Its annual sales are that of approximately \$26 million EURO. In the past, the company used several antiquated, cobbled together systems to operate the business for the past 20 years. A patchwork of different, locally made software handled ordering, logistics and other function, while financials were housed in another completely different system says Attard.

COMPANY

- **Location:** Malta
- **Industry:** Wholesale Distribution: Food & Beverage, Misc. Household supplies, Shopping & Retail

NO. OF EMPLOYEES

- Approx. 90 full time employees

PRODUCTS IN USE

- Acumatica Advanced Financials with Distribution, Orbis DSD, Velixo, Microsoft Power BI, RIC Group Warehouse Management Solution & Peppi for sales automation

CUSTOMER SOCIAL SHARING DETAILS



LinkedIn



Facebook



YouTube

PARTNER DETAILS



Computime Software Ltd. Malta

"We had many challenges, primarily a lack of information required for decision-making," he says. "The disparate software created a lot of double work, wasted resources, was inconsistent, and offered different versions of the truth."

Three years ago, P. Cutajar & Co. Ltd. acquired a company a fourth of its size, which, with its own systems, exacerbated the company's challenges. Manual, paper-based workflows to manage information from one system to another wasted a lot of time and resources.

Lack of Accurate Data Slowed Growth

Without one version of the truth, the team was constantly trying to figure out what set of figures they could rely on and spent valuable time reconciling them. "Growing the company was practically impossible to keep going the way we were without accurate data," Attard says.

With purchasing, for example, an order was manually typed into three different systems. When a delivery was made, invoices had to be reconciled to deliveries, cash was reconciled for COD orders, and then stock had to be reconciled if there were returns. "All of this was manual, involved many layers of effort and caused quite a number of issues," Attard says. Soon after acquiring the other company, "we immediately realized there were too many discrepancies in our system," he says.

Additionally, the company's sales ordering system, which was installed on tablets, had several issues and was coming to the end of its life.

SOLUTION

The P. Cutajar team consulted with Price Waterhouse Coopers to complete an IT audit and created an RFP to help them understand what was needed as to infrastructure and software.

They evaluated several ERP solutions including SAP, Microsoft Dynamics, and custom software from a Maltese company.

"We then looked at Dynamics, but the system just too sizeable for us," said Attard. "When it came to SAP, we found issues with its perishable, warehousing, and logistics applications so they couldn't offer solutions for our needs."

Acumatica and implementation partner Computime Software answered the RFP, and subsequently won the business based on the flexible nature of Acumatica's architecture and ease of connecting to third party applications.

While Acumatica has many modules that work together – Financial, Distribution, Field Services, Operations, Retail, and Distribution & Inventory, among others – it did not have a sophisticated sales ordering tool, or the logistics software P. Cutajar & Co. Ltd. needed.

However, Computime's development team offered to write a logistical program and find a sophisticated mobile sales tool that also fit their needs.

"It was very important to have one total solution from one provider," Attard says. "And Computime provided us just that. It was also very important for Acumatica to have the ability to connect to several different applications."

The custom logistical system Computime built for P. Cutajar & Co. Ltd. is called Orbis DSD Route Accounting and Planning Application, and it is now a certified Acumatica third party application.

Direct Store Delivery Challenges

In the direct store delivery (DSD) process, hundreds of daily orders need to be delivered in a very short time, which requires sophisticated delivery and route planning. In DSD operations, a high quantity of orders are often sorted by hand, grouped in batches, picked from one or multiple warehouses, and loaded/checked on the delivery vehicle order by order. This process requires many manual resources and is highly error prone.

Route settlers and cashiers face additional challenges when delivery vehicles and invoices are reconciled at the end of the day, especially in manually processed 'Cash on Delivery' environments. Stock must be reconciled, return orders have to be created one-by-one and processed, cash collected needs to be recorded, and payments created need to be allocated to the originating invoices. When done manually, these processes are prone to mistakes, which result in unreliable information, disputes, cash "going missing", and decreased customer satisfaction.

Computime Software's Orbis DSD Route Accounting and Planning Application automates the logistical and accounting processes.

P. Cutajar & Co. Ltd. together with Computime carried out extensive testing and training before going live on Acumatica and Orbis DSD. They shut down operations three days prior to go-live for final data migration and flipped the switch on a Monday morning. "All was fine," Attard says. "We were receiving orders; our trucks were out on the road, and we were drinking champagne."

BENEFITS

Instant Access to Accurate Data Leads to Better Informed Decision-Making

P. Cutajar & Co. Ltd. instantly had accurate information for Executives to use to make better decisions in real-time. "With Acumatica, having access to information was a game changer for us," Attard says. "Having that level of information meant we could drill down to uncover issues and find a resolution."

As an example, for the first time, managers could pull up a dashboard and immediately see the status of inventory: how many days or months of inventory they had, how long products could be on the shelf before expiring, and what items were selling quickly. "It has led to less pockets of out of stocks and less waste because we can take immediate action through discounting or promotions," Attard says.

"Today, different teams in the business have custom dashboards pertinent to doing their jobs. The dashboards show cash flow levels, profitability by division, and by customer," he adds. "This level of information is unprecedented for our company."

Because Acumatica connects seamlessly with Velixo and Microsoft Power BI, "all data available gives us further ability for analysis of our field sales operations in the market; we now know the number of orders submitted in real-time and what division the order came in for. All of this data is quite important to us," Attard stated.

Previously, managers had to download transactions into a spreadsheet and manipulate the data, which was time consuming. "We had a

reporting tool that gave us some help, but it was nothing compared to the level of information we have now,” Attard says. They had historical data and nothing in real time.

Streamlined Business Processes Leads to Greater Operational Efficiencies

The deeper insight P. Cutajar & Co. Ltd. acquired with Acumatica – along with automated DSD processes - led to greater efficiencies and new ways of doing things. “Logistics operations are more efficient, and so is the way we receive and process orders,” Attard says.

The company issues fewer credit memos because there are less errors. Stock levels are accurate and reliable, and there is more detailed information available on that stock on hand, improving the P. Cutajar customer experience.

Orbis DSD extended Acumatica’s standard distribution functionality with route planning capabilities including scheduling, dispatching and the necessary finance functions that need to take place during delivery. As a result, much of the manual reconciliation tasks are now automated, which has improved accuracy, reduced errors, and saved time.

Computime also developed an integration for Peppri, a sales automation process tool used by the sales team of P. Cutajar & Co. Ltd. on their tablets, which has improved the ordering experience. The software allows the field service team to view catalogs, price lists, trade promotions, account information, and place orders from anywhere.


Attard expects further improvements and efficiencies as they roll out more of Acumatica’s functionality. “In time we’ll see additional benefits that will allow us to be more aggressive in the market,” he says. “It’s amazing how much the information coming out of Acumatica has already helped us pivot the business as to the needs of the marketplace. We see that happening even more over the next 6-12 months.”

Acumatica: A Competitive Edge

Many of P. Cutajar & Co. Ltd.’s competitors use locally developed software. “We are realizing that Acumatica along with Orbis DSD has given us a competitive edge when it comes to sales capturing and logistics,” Attard says. “This is a huge business enabler for us.”

P. Cutajar & Co. Ltd.’s plans to implement Acumatica’s warehouse management system and service module and build a better process for routine maintenance on equipment such as its coffee makers in its retail shops. “Doing so will reduce costs associated with service calls, preventative maintenance, and managing technicians’ time,” he says.

“When it comes to an ERP solution, it was impossible to find something that caters to all the facets of our business,” Attard adds. “Acumatica gives us the ability to select and connect technology solutions that are critical to our ever-evolving business needs; this was crucial. We’re operating in so many different product sectors which come with complex requirements to each. Acumatica as our technology platform acts like a mother bee embracing all our business applications in such a seamless manner.”

 *Upon flipping the switch for go live with Acumatica, we were receiving orders, our trucks were out on the road, all was well; we were drinking champagne.*

– Clyde Attard, Sales Divisional Manager 