

Data-Driven Korpack Harnesses Acumatica for Nationwide Growth



OVERVIEW

After spending more than a decade in the packaging industry, engineer Nick Novy realized that to better serve customers, he needed to offer custom options and other non-stock supplies as well as full-service consultation to help them make the best packaging decisions. He founded Korpack in 2014 to do just that, choosing Acumatica as the agile engine for data-driven decisions and platform for nationwide growth.

KEY RESULTS

- Gained centralized data system for quick decision-making
- Allows for flexible customization that fits the way Korpack does business
- Ability to analyze and act on data collected provides a competitive edge

SITUATION

Korpack doesn't just sell boxes. The two-year-old startup helps manufacturers, distributors, and fulfillment centers in the Midwest area save money and enhance productivity by finding the best packaging solutions for their needs. The company does that by working with industry partners, harnessing data, responding lightning fast to customer requests, and offering options based upon a customer's preferences. Exceeding customer expectations is part of Korpack's DNA.

When founder Nick Novy launched the company, he looked for an ERP that was not only affordable, but one that could help Korpack organize, analyze and act on data. He also looked for a flexible system he could customize to the way he wanted to do business and one that would allow the company to grow into a national concern.

Novy evaluated several ERPs, including NetSuite, Microsoft Dynamics and QuickBooks before choosing Acumatica. Initially, Dynamics seemed ideal since Korpack planned to build on Microsoft technologies, but it was expensive and didn't offer much in the way of customization, says Patrick Madison, Korpack's Chief Financial Officer. QuickBooks wasn't robust enough to handle the sophisticated data analysis Korpack needed, nor did it allow any customization.

While NetSuite made the final round, it lacked a flexible, open platform and wasn't affordable, Madison says. "NetSuite charges per user and had higher premiums where Acumatica has a better cost structure and doesn't charge per user." Also, Acumatica is built on an open platform that allows for third-party integration, which Korpack desired.

SOLUTION

Packaging Startup Launches with Acumatica

Korpack implemented Acumatica in the cloud as part of the company's startup, when the firm had just three employees in 2014. It later upgraded to version 6.1 with the help of Dan Schwartz and his team at NexVue, an Acumatica Gold Certified Partner. Executives chose to operate Acumatica as part of a multi-tenant environment that allows them to take live data from the cloud and bring it back on-premises for additional analysis and back-up, Madison says.

The company implemented Acumatica Financial Management, Distribution Management, and Customer Management Suites, as well as FusionPOS and FusionWMS, a third-party Acumatica partner offering integrated Point of Sale and embedded warehouse management software. Later this year, Korpack also plans to add JAAS Advanced Manufacturing Software (JAMS).

Korpack's competitive edge is the ability to make very quick decisions based upon real-time data, which is required in the highly analytical and complex packaging industry, Madison says. The company uses this data to offer several services: stock packaging, custom packaging, and packaging solutions, which involves helping customers automate their packaging needs whether that includes automation tools, machinery, assembly, shipping or distribution processes.

Company

Korpack
www.korpack.com

Industry

Packaging

Location

Bloomington, IL

Products

- Acumatica Financial Management
- Acumatica Distribution Management
- Acumatica Customer Management
- FusionPOS
- FusionWMS

“If you have streamlined operations, understand pricing and have up-to-date information, you can be very competitive and take advantage of inefficiencies in the market,” Madison says. The packaging industry is probably some 10 to 20 years behind when it comes to technology use, he says, and building on a cutting-edge technology platform like Acumatica gives them a huge advantage in the marketplace.

“Nick is a true visionary when it comes to leveraging technology to make his operation much more efficient and effective,” said NexVue’s Schwartz. “In my 30 years of doing business, he’s in the top 10 when it comes to using technology, specifically Acumatica’s ERP platform, to differentiate his company and improve his business to compete.”

BENEFITS

Data-Driven Agility with Acumatica

Within its multiple market segments, Korpack has to be very nimble and quick: they have to quote immediately and then fulfill winning bids quickly and accurately. Acumatica provides streamlined quoting, instant access to vendor pricing and services, and connections to sophisticated data analysis tools like Microsoft Power BI—which all help Korpack give customers the best options based on their needs.

“We know the pricing of 10 different vendors on the same product so we can compare them instantly and, depending upon those needs, satisfy whatever is the customer’s biggest priority,” Madison explains. “For example, if a customer is concerned about cost but is not worried about delivery times, we can provide a quote that fits those needs. Or, if a customer needs the packaging right away, we can use a more expensive vendor and ship that day if needed.”

Korpack works with more than 300 vendors and partners fulfilling orders from some 100 and counting regular customers in the Chicagoland area, which includes surrounding cities in Illinois, Wisconsin, Indiana and Michigan. “We would be nothing without our vendor partners,” Madison says. “Our vendor network and our employees are the backbone of the organization. We coordinate everything with our vendor partners to make it all work.”

Every one of the company’s 17 employees uses Acumatica, from the finance department to the mobile sales team to delivery drivers. “We use everything and anything in Acumatica to our advantage to keep information centralized,” Madison says. “We use the Acumatica Customer Management Suite religiously to track opportunities and leads, and what’s going on with a contact, and we love that Acumatica integrates well with the Microsoft Office suite because we are also strong users of Excel, Power BI and Outlook.”

Seamless Integration with Third-Party Tools

In 2017, one of Korpack’s retail customers added EDI as a new trading requirement. The management team at Korpack saw this request as more than just a compliance initiative—it was an opportunity as well. They could increase order volumes with this retailer and achieve greater supply chain efficiencies through automation. The company selected SPS Commerce Fulfillment, an EDI solution recommended by Acumatica. After a worry-free and seamless integration, Korpack is now 100 percent EDI-compliant with their customer’s trading requirements, and the company is looking at adding other vendors and logistics partners to their EDI program.

The company is in the process of adding FusionWMS for inventory management. Next month Korpack will begin using live scanners to pick, receive, move, and track inventory and see that action within Acumatica. Later this year they plan to add JAMS to better track and manage the small-scale manufacturing Korpack does.

Madison likes Acumatica’s automation features for many financial tasks, which range from emailing accounts receivable notices to following up on a quote to pulling up information related to a customer quote. “It’s hard to pinpoint just one feature,” he says. “Acumatica helps us collect data we need to make informed decisions, and we are very good at taking that data and turning it into actionable decisions. We get to do that because Acumatica is so customizable and allows us to do that on the fly, based on live data.”



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CFO,
Korpack

Acumatica Sets the Stage for National Growth

Korpack's ultimate goal is to grow from a regional player to a national concern, Madison says. Company revenues grew 100 percent in 2016 and he projects sales to grow 30 percent year over year for 2017 and 2018.

"Once we fully nail down the platform and processes, integrate the additional software and really get it stable, we'll begin looking at mergers and acquisitions to expand our locations and branches and eventually grow to a national presence." Acumatica has built-in functionality that will allow Korpack to operate with multiple warehouses nationwide and has integration tools and partners such as Avalara for VAT (sales tax) that will allow them to scale internationally. That growth, however, would be something addressed in a longer-term timeframe.

"We're constantly trying to automate things with the goal of minimal data entry," Madison says. "We want Acumatica to be quick and help us make as few mistakes as possible along the way to keep the customer happy—that's what this business is all about."

