

BIG C REDUCES EXPENSES WITH ACTIVANT DOCUMENT MANAGEMENT



PROFILE

Headquarters: Granger, Indiana

Annual Sales: \$100 million

Sales Breakdown: 85% contractors,
15% retail

Number of Employees: 300

Locations: 16

Founded: 1921

Affiliation: Do it Best

“We save at least \$10,000 every year by not paying someone to file. And, we’ve grown as high as 18 locations and have not increased staff for statement production.”

JOHN SARDESON
MIS DIRECTOR
BIG C LUMBER

Executive Summary

Big C Lumber extended the functionality of its Activant Version 2 system by implementing Activant Document Management. Since initial implementation for Accounts Receivable in 1999, Document Management is now used throughout the company. Payback was less than two years. Labor expenses for invoice filing and statement production are lower. Employees save countless hours in finding information and answering customer questions faster than ever before.

Market Leader Relies on Version 2 and Document Management

Since opening in 1921, Big C Lumber has earned the market leadership position in northern Indiana and Southern Michigan. In addition to lumberyards, this 16 location operation has a mill, truss plant, door and window shop, and installed siding sales. The company intends to continue its profitable growth as opportunities arise.

Since 1980, Big C Lumber has trusted its Activant Version 2 system and today the combined functionality of Version 2 and Activant Document Management help meet Big C Lumber’s ever increasing business management needs. “Document Management enables us to continue to use our Version 2 system. We have easier access to information that overcomes some of the shortcomings of working on an older system,” explains John Sardeson, MIS Director, Big C Lumber.

Document Management Reduces Accounts Receivable Labor Expense

Big C Lumber began using Document Management in 1999 to improve its Accounts Receivable (AR) paper flow. At that time, all 13 locations sent their signed invoices to the corporate headquarters. “It took many hours to file the invoices, pull them back out and attach them to statements. We used to have a crew of seven or eight working all day to produce statements at the end of every month,” describes John. “About 85% of our sales are on account and we send out more than 3,000 monthly statements. Today with Document Management we don’t file invoices during the month and statement preparation at the end of the month requires one-half the staff and one-half the time. We save at least \$10,000 every year by not paying someone to file. In addition, we’ve grown as high as 18 locations and have not increased staff for statement production.”

Accounts Payable Gains Efficiency with Electronic Documents

In 2004, Big C Lumber acquired a three-yard chain and prepared to integrate the companies. John recognized that performing Accounts Payable (AP) with paper files wasn't going to work. "We already had 27 file cabinets containing AP documents and physically didn't have room to add documents for three more locations. Nor could our current staff handle the increased workload," states John. "We started those three yards using Document Management in AP and six months later converted the other 13 locations. We've since added two more locations with no addition to AP headcount. That simply wouldn't have been possible without Document Management."

Big C Lumber had one file cabinet for each yard, but AP clerks didn't always know which location had received an invoice. They often had to check in multiple cabinets. Now, they pull up documents electronically in a matter of seconds. "Document Management has taken a big load off the AP staff. They can pull up documents by vendor, purchase order, date range or other facts. The flexibility is a real time-saver," continues John. "Another source of savings is in printed checks. With Version 2 we were limited to 13 lines of information (invoice numbers, purchase order numbers, etc...) on check stubs and were using tractor-feed checks. With Document Management we extended it to 32 lines and laser print on 8 1/2 x 11 pages."

"Our sales staff and yard managers also have access to customer invoices, estimates, special orders, and statements. No matter which location a customer calls, they can quickly get their questions answered. Additional customer information is available only to location managers and corporate staff. One of the great features of Document Management is that we can customize security access so that employees have access to what they need, but nothing more," explains John.

Results Attained Throughout the Business

Beyond the AR labor savings that Big C Lumber expected when implementing Document Management, the company has experienced other benefits. "I can't begin to quantify the impact of easy information access on our business. Many employees just do their jobs faster and better serve customers as a result. We can electronically find customer account information by searching Document Management by invoice number, PO, customer number, customer name, date or many other criteria. We can quickly find transactions in which the wrong sales tax rate was incorrectly applied to an invoice. Location managers can quickly access information instead of calling headquarters and waiting for an answer. Purchasing agents can instantly see vendor payment history when they are on the phone with a vendor," concludes John. "We calculated payback at two years and it was faster than that. And we continue to get returns every year as we gain from labor savings and efficiencies."



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JOHN SARDESON
MIS DIRECTOR
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ABOUT ACTIVANT

Activant, a leading technology provider of business management solutions serving small and medium-sized businesses, offers customers tailored proprietary software, professional services, content, supply chain connectivity, and analytics. Activant's systems are designed to help customers increase sales, boost productivity, operate more cost-efficiently, improve inventory turns and enhance trading partner relationships.

To learn more about this or other
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