

**Solution Overview**  
**Company**  
**Bi-Lo Distributors**

**Customer Profile**

Bi-Lo Distributors, based in Melville, New York, is a distributor of beauty products.

**Business Situation**

The company wanted an order entry and fulfillment system that would reduce costs while providing real-time information and new functionality, such as electronic data interchange (EDI).

**Solution Description**

Access IT deployed Microsoft Business Solutions—Navision with Retail Supplier Link’s E-Ship, EDI, and Advanced Forecasting and Procurement (AFP) granules created by Lanham Associates.

**Benefits**

- Personnel costs reduced up to 67%
- Enabled servicing major customers
- Streamlined processes boosted productivity
- Real-time reports enable better decision-making

**Partner**

Access Information Technologies, Inc.  
 (www.accessit.com)  
 Lanham Associates  
 (www.lanhamassoc.com)

**Software and Services**

Microsoft Business Solutions—Navision:

- Financial Management
- Supply Chain Management
- E-Ship
- EDI

**Vertical Industries**

Consumer Goods Distributor

## Consumer Goods Distributor Attracts Customers, Boosts Revenue, Saves 67 Percent of Staff Costs

To reduce costs and attract larger customers, Bi-Lo Distributors needed a business system that would support electronic data interchange (EDI); make ordering and shipping more productive; enable users to obtain up-to-date data whenever they needed it; and boost forecasting in order to optimize inventory. Bi-Lo now has that solution: Microsoft Business Solutions—Navision with Retail Supplier Link. The solution has increased productivity so that the company can redeploy 33 percent of its order entry staff and 67 percent of its accounts payable staff. With users accessing reports directly in real time, an IT employee freed up 50 percent of the time formerly spent on running reports. Even better, the solution has enabled Bi-Lo to attract and retain national retail customers, thus increasing revenue.

**Situation**

Bi-Lo, a beauty supplies distributor based in Melville, New York, has been in business for 25 years. Over that time, the company has had to keep up with the increasing number of products required by its retail store customers. It now supplies products to retailers throughout the northeastern United States.

In addition to handling a growing range of products, Bi-Lo has faced increasing competition in the market for servicing independently owned retailers. Bi-Lo has responded to this competition by maintaining high levels of customer service. Bi-Lo has been challenged to contain costs without sacrificing the high level of service expected by its customers.

Order fulfillment is one of the key areas where Bi-Lo sought to contain costs. Its previous system—Macola—crashed repeatedly during postings, and required up to 15 minutes to restart each time, seriously affecting productivity. The system required three salespeople to input orders into the system and another three people in accounts payable to manage invoices.

Reports were created outside of Macola in a report writer, because the solution could not handle detailed reports. Even with the separate report writer, some reports took hours to produce, and a server crash could require hours to rebuild corrupted data and indexes. IT professionals could spend up to four hours per day to support the system and produce reports for executives.

Beyond the costs of report creation, the solution did not provide accurate forecasts and effective management of inventory that Bi-Lo needed to maximize its competitive advantage.

In addition to these costs, the solution did not support electronic data interchange (EDI), a retail compliance technology that automates the process of receiving and processing orders. Instead, Bi-Lo had been receiving orders exclusively by mail and fax. Customers were asking about EDI, and some potential customers—such as large retail chains—required it as a condition of doing business with the company. Bi-Lo needed an EDI solution.

“Our solution was doing what it was designed to do, but we needed something better to support our growth and bring us to the next level as a company,” says Michael Lowe, Vice President, Bi-Lo Distributors.

**Solution**

To find that “something better,” Bi-Lo turned to Access IT, the Microsoft solution provider that also helped Bi-Lo maintain its previous solution. “We went with the people we were comfortable with,” says Lowe. “Access IT has good people; they know what they’re doing, and we trust them.” As a solution provider, Access IT is very experienced in the distribution industry, and has a long history of working with Microsoft Business Solutions—Navision software.



The solution that Access IT recommended to Bi-Lo was Microsoft Business Solutions—Navision supplemented with Retail Supplier Link integral retail compliance software. Microsoft Navision is a customizable end-to-end business solution with built-in retail supplier and wholesale distribution functionality, designed to empower manufacturers, importers, and distributors, such as Bi-Lo, to manage fast-changing retail compliance issues required by their customers, while maintaining long-term profitability.

Retail Supplier Link was created for Navision by Lanham Associates, a Microsoft Certified Partner with the independent software vendor (ISV) competency, located in Norcross, Georgia. The company began its relationship with Microsoft Navision in 1997 by developing the product's first distribution functionality, Advanced Distribution, and has been the recipient of the Microsoft President's Club and Inner Circle Awards each year since being affiliated with Microsoft.

The Navision solution includes functionality for distribution, financial management, supply chain planning and execution, retail compliance, customer relationship management, and e-business. The Navision database supports the business system, EDI, shipping (UPS, FedEx, LTL), and forecasting. Information on each of these functions is available to Bi-Lo through drill-down capability and reporting.

Bi-Lo is using Retail Supplier Link's EDI and E-Ship capabilities and is planning to deploy Retail Supplier Link's Advanced Forecasting and Procurement (AFP) feature.

- EDI allows Bi-Lo to manage the process of adding new trading partners without having to hire consultants or write code. It enables the

company to maintain required EDI transactions and documents, without having to purchase them from outside EDI providers. The company can meet its customers' order and delivery specifications, avoiding

costly charge backs. Bi-Lo can use Navision Retail Supplier Link's EDI to create sales orders, bring these orders into the system using an import utility, and print pick-tickets for

order fulfillment.

- E-Ship, a manifesting system for package carriers or less-than-truck-load (LTL) shipments, automates the packing and shipping function. Orders entered into Navision are sent to the warehouse for picking and brought into the packing area. At a packing station, E-Ship can scan the order number, validate that the right items and quantities have been packed, shop the best shipping options, calculate freight charges, and print UCC-compliant shipping labels. The solution uses bar-code scanning to avoid the need for computer keyboards.

- AFP is a planning and procurement solution that will allow the company to better forecast inventory, in order to optimize inventory turns and reduce cost. AFP calculates how much of the given product the company should purchase and how many times it should repeat that purchase over the course of the year in order to meet customer demand while minimizing carrying costs.

In addition to providing the technology

solution, Access IT advised Bi-Lo on ways to optimize its processes for greater efficiency. For example, Access IT suggested that Bi-Lo change its order numbering system from an alphanumeric scheme to a purely numeric one, which increased the speed of order entry. Access IT also suggested changes in warehouse management—such as reorganizing bin locations on the warehouse floor—in order to decrease order pick time and free additional warehouse space.

The solution was implemented over six months and runs on a single Dell PowerEdge server with the Microsoft® Windows® 2000 Server operating system.

### Benefits

Thanks to the Microsoft Navision Retail Supplier Link solution, Bi-Lo is boosting productivity and reducing costs; gaining new customers and revenues; ensuring retail compliance to avoid costly charge backs; and gaining real-time information for better decision making.

### Reduced Costs

Bi-Lo has achieved significant reductions in ongoing costs as a result of the Microsoft Navision solution. It has been able to reduce the size of its order entry staff by 33 percent and the size of its accounts payable staff by 67 percent. In addition, an IT professional no longer needs to run reports for management because he or she can easily obtain data directly from system reports or online drilldown capability. That frees nearly 50 percent of the IT

person's time, which can be deployed in ways that add value to the company.

"Thanks to Microsoft Navision Retail Supplier Link and Access IT, we're seeing a significant cost savings," says Lowe. "We achieved payback in well under a year."

**"Thanks to Microsoft Navision Retail Supplier Link and Access IT, we're seeing a significant cost savings. We achieved payback in well under a year."**

Michael Lowe, Vice President, Bi-Lo Distributors

**"We wanted a solution that would support our continued growth. That's what we have with the Microsoft Navision Retail Supplier Link solution from Access IT."**

Michael Lowe, Vice President, Bi-Lo Distributors

## Increased Revenues and Customer Base

Beyond saving money, the Retail Supplier Link solution has been crucial in helping Bi-Lo attract and retain new customers. EDI capability, for example, was a requirement of a national housewares chain that is now a Bi-Lo customer. Lowe says he expects EDI to enable the company to attract other major retailers as new customers.

“EDI capability is the only way to move into the retail chain market,” says Lowe. “And Microsoft Navision and Access IT, through Retail Supplier Link, gave us the easiest way to implement EDI. Without it, we would not be able to attract these new customers or capture these additional revenues.”

## Efficiencies Enable Better Decisions

Bi-Lo is also able to respond faster and more effectively to changing market conditions, thanks to the Microsoft Navision solution. Having one system with a single database, rather than four separate systems for the business system, forecasting, shipping, and EDI, enables users to obtain up-to-date reports on inventory status and related supply chain measures instantly, whenever they want, without having to go through the IT staff and wait several hours for reports to be run. That means they can obtain that information more frequently and act on it whenever appropriate.

The Retail Supplier Link E-Ship feature enables the company to identify the best carrier for any given order, based on delivery needs and costs, thereby reducing costs while optimizing shipping. Its AFP granule, when fully implemented, will increase savings by optimizing forecast data to carry the right inventory at the right time.

“We wanted a solution that would support our continued growth,” says Lowe. “That’s what we have with the Microsoft Navision Retail Supplier Link solution from Access IT.”

## For More Information

To access information using the internet, go to [www.microsoft.com](http://www.microsoft.com).

For more information about Access IT products and services, call (631) 756- 2700 or visit the Website at [www.accessit.com](http://www.accessit.com).

For more information about Lanham Associates products and services, call (770) 564-5601 or visit the Website at [www.lanhamassoc.com](http://www.lanhamassoc.com).

For more information about Bi-Lo Distributors products and services, call (631) 845-9780.

## Microsoft Business Solutions

Microsoft Business Solutions offers integrated business applications and services that allow small and mid-sized organizations and divisions of large enterprises to connect employees, customers, and suppliers for improved efficiency. The financial management, customer relationship management, supply chain management, and analytics applications work with Microsoft products such as Microsoft Office and Windows to streamline processes across an entire organization, giving businesses insight to respond rapidly, plan strategically, and execute quickly. Microsoft Business Solutions are delivered through a worldwide network of channel partners that provide specialized services and local support tailored to a company’s needs.

For more information about Microsoft Business Solutions, go to [www.microsoft.com/businesssolutions](http://www.microsoft.com/businesssolutions).