

CASE STUDY

SAGE LINE 500

► CANDLELIGHT
PRODUCTS LTD

Sage Business Partner



SAGE SOLUTION SUPPORTS CANDLELIGHT'S BRIGHT BUSINESS FUTURE.



CLIENT PROFILE

Candlelight Products Ltd designs, imports and supplies a wide range of colourful and stylish home accessories and giftware, from kitchenware to candle-holders, photo frames to furnishings. The company's enviable customer base includes major high-street stores such as Woolworths, Argos and Rosebys, as well as smaller, independent retailers.

Based in Aldwarke near Rotherham in South Yorkshire, Candlelight has its origins in the 1972 miners' strike, when Managing Director Mike Winch had the enterprising idea of selling homemade decorated candles from the back of a van.

Since then, the company's commitment to quality products and professional customer service has led to rapid expansion. It has established its credentials as a significant player in the industry, employing 130 staff in the UK, and a further 2,000 in the Far East.

In recent years, annual turnover has risen from £7 million in 1996 to around £20 million today. Candlelight sources products from the Far East, either buying at trade shows, or having orders custom-made to its own and customers' designs.





THE CHALLENGE

Business success has brought its own pressures to Candlelight. The company must manage both ends of the customer spectrum, supporting the smaller retailer with fast, reliable deliveries, while being able to hold stock and efficiently handle repeat sales from the larger multiple retailers. Candlelight regularly processes orders in excess of £1 million.

By late 2000, it became apparent that the company's old IBM-based system was struggling to cope with the demands of a fastgrowing business. Furthermore, Candlelight was finding that customers increasingly wanted the convenience and speed of electronic data interchange (EDI), which the system could not support. While EDI could be set up on a customerbycustomer basis, it drained a massive £7,000 to £8,000 from the IT budget



THE SOLUTION

Candlelight had already established a good relationship with their Sage Business Partner, Pinnacle, who had supplied a Microsoft-based network for the business. They had become a trusted partner and were able to assist Candlelight in defining their system requirements.

In evaluating replacement systems, Candlelight managers placed a high priority on better business information, through improved reporting and easier EDI. Quality of technical support was also a key issue.

Richard Vale, Operations Director at Candlelight, explains, “It was a big plus for us to find that a system from Sage would fit the bill. Sage is a major supplier of business management systems and we had every confidence in its support capability. We knew, too, that moving over to Sage would make future recruitment easier as so many IT professionals now have Sage experience.”

Receiving full commitment and support from Candlelight management and staff, Pinnacle implemented a Sage Line 500 solution for the business in just three months from start to finish. The system has a full suite of modules to cover the company's finance and distribution operations and supports 24 concurrent users.

“I was pleasantly surprised at how smoothly the implementation went. We managed to move from our old system to Sage Line 500 during our busiest trading month ever - without a glitch!”

RICHARD VALE, OPERATIONS DIRECTOR,
CANDLELIGHT PRODUCTS LTD





THE BENEFITS

The changeover to Sage Line 500 was problem-free, despite the system going live during the busiest trading period in Candlelight's history – their biggest month ever in terms of orders taken.

As Richard Vale comments, “**Having experienced a painful system implementation in the past, I was pleasantly surprised at how smoothly the implementation went. We managed to move from our old system to Sage Line 500 during our busiest trading month ever – without a glitch!**”

The new system became fully operational in September 2001. Candlelight experienced real business benefits almost immediately, in both its front and backoffice operations. Richard Vale reports that the most significant change overall has been in the quality of information managers receive on both customers and products. Reporting is faster and more reliable, with nominated staff pulling off Excel Pivot-Table reports such as stock control and sales history directly from the live data within the Sage Line 500 system, as and when needed.

Candlelight holds some 3,000 stock lines, worth around £3.5 million, in the warehouse at its Aldwarke headquarters. Accurate business information is essential to manage this huge investment profitably. Through accurate tracking of stock movement, with improved reporting, Sage Line 500 alerts Candlelight to changing order patterns and product line success. As a result, it can meet demand without overbuying, and is better able to minimise investment in stock while still being able to fulfil customer orders promptly.

This is another real practical advantage of the new Sage Line 500 system: unlike its predecessor, the system's Microsoft Windows software can support attachments. When staff are sourcing new products in the Far East, they can send photographs of designs back to the UK, for immediate review and approval, rather than just written descriptions as would have happened previously. Back home, Candlelight's telesales teams have also been helped to increase their productivity. Staff can now key in customers' details directly during telephone calls. This accelerates order throughput and eliminates time-wasting rekeying of orders.



THE FUTURE

To help the business keep its edge in a highly competitive marketplace, managers are now reviewing options for integrating bar coding technology to further improve warehouse management. They are also considering the introduction of remote access to the Sage Line 500 system. The plan is to give mobile sales staff ready access to information such as prices, stock levels and delivery times.

SOLUTION OVERVIEW:

- Faster and more reliable reporting, straight from live system information.
- Accurate stock tracking means that stock levels can be minimised without impacting on delivery times.
- Telemarketing staff can now input information directly into the system, eliminating the rekeying of data.
- Smooth and rapid implementation, well supported by Sage Business Partner.
- Confidence in a well-known and well supported business management application from Sage.





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