Fast Growing Global Beauty Care Unleashes Growth with Acumatica

OVERVIEW

When Global Beauty Care landed a few large retailers, executives knew they needed a better financial system than their legacy software to handle the retail giant's orders. The prior solution couldn't accept digital orders or invoices – every transaction had to be entered by hand. It couldn't connect to other applications, and it did not provide the agility the company needed. Global Beauty implemented Acumatica, giving the company a connected and modern technology platform to support rapid growth.

SITUATION

Wholesale beauty product distributor Global Beauty Care was founded eight years ago in a New York City basement. Using advanced technology and quality ingredients, GBC, as the company is called, created a full line of innovative skin care products to help repair, replenish and refortify your skin.

The extensive product line appealed to customers of all age groups and sales took off. Today, its skincare, facial wipes, and retinol creams can be found in Walmart and other major retailers that collectively boast more than 60,000 stores globally.

"We operated on a standalone financial system on our network that was built many years ago and not for our industry," says Eric Mizrahi, Director of Operations & IT. "It had a very limited fixed window size, that would only fill up about 1/3 of a modern computer monitor – leaving a lot of screen real estate unutilized."

Employees couldn't cut and paste information, couldn't export to Excel easily, and had problems with data sets larger than 30,000 records. "It was a non-smart system, not linked to the Internet. It couldn't connect to add-on applications," he adds.

Keeping track of shipping containers bringing goods from overseas was a headache. "We had a very complicated way of keeping track on paper when something was arriving, or what was a hot item and needed to be unloaded first," Mizrahi says. "It was like an elaborate bulletin board and if someone sneezed, it would cause mayhem."

Without visibility into financials, the accounting team spent a lot of time on manual calculations, such as how much was owed an overseas vendor, which led to errors.

Manually Processing Orders

The biggest challenge, however, was processing orders from its largest customer, whose 40+ distribution centers placed orders every Thursday. The orders needed to be routed within a couple of hours. "Half the company would freeze," says Mizrahi. "Everyone would stop what they were doing and enter orders. We had no system to import the data into the program or automate the sales orders."

SOLUTION

The GBC team needed a modern financial system that would allow them to continue the rapid growth while also allowing them to market products more effectively, says Mizrahi.

COMPANY

- **Location**: Headquarters in New York City
- **Industry**: Wholesale Distributor, Retail & eCommerce
- Application Replaced: Legacy

SOLUTION

- Acumatica Distribution Edition with:
  - Advanced Financial management
  - Inventory Management
  - Order Management
- SPS Commerce Fulfillment (EDI)
- PC Bennett Solutions' Shipping Container Management

KEY RESULTS

- Process data faster with fewer workarounds and errors
- Gained a real-time financial view of the entire operation
- Revolutionized the way they paid factories, eliminated potential invoicing errors
- Avoided additional headcount needed with increased transactions
- Saved money and avoided expensive per-user licensing enabling more users to access the system
- Achieved easier to access data through use of generic inquiries and dashboards
- Increased productivity so the Director of Operations could grow sales rather than worry about IT

He knew they needed a technology platform that had a strong and growing ecosystem of innovative solutions, continually evolving technology and a robust support system that would enable their growth as they expanded operations. GBC also needed end-to-end control and visibility to all aspects of their supply chain, strong inventory and order management capabilities, integrated EDI, and landed cost/container management solutions that were fully integrated into an ERP. Mizrahi researched ERP software, settling on Oracle NetSuite or Acumatica.

"Oracle NetSuite was astronomical in price and I was afraid of the number of customizations required. Because I know Visual Basic and Excel, I wanted a program that would get me nine-tenths of the way to where I needed, and I saw that functionality with Acumatica."

– Eric Mizrahi, Director of Operations & IT

He liked that Acumatica is developer friendly and that he could handle some of the implementation himself while working alongside Acumatica partner MIBAR, also based in New York City. He also liked that Acumatica had a growing ecosystem, partnering with several companies who have developed modules that work with the ERP, and the fact that Acumatica routinely updates its software.

Under guidance from MIBAR, Global Beauty Care implemented Acumatica's Distribution and Financial systems, combined with SPS Commerce and PC Bennett's container management solution.

BENEFITS

Connected Business with Real-Time Visibility

With Acumatica, Global Beauty Care executives gained an instant view of the company's status in real time. "In the old system there was no clear picture of how many open orders there were and there was no clear process after you invoiced. Now, in one quick second, I can see anything," says Mizrahi.

Mizrahi easily created several dashboards with inquiries that let him see how much money is due, how many orders have come in and so forth. The dashboards allow him to pinpoint any issues right away, all of this is insight he didn't have previously. "Just yesterday I was looking at a dashboard and recognized that something was wrong. I called the warehouse, and asked, 'Are you backed up?' and they were. The number jumped a few minutes later and I didn't have to run a report or anything because I built a dashboard." Acumatica has eliminated manual entries with automation, which has sped financial processing. It has also provided easier access to data.

When Mizrahi found it difficult to create a highly customized replenishment report that tried to link to too many tables, one of the programmers at MIBAR suggested he tap the O-data technology and leverage Excel to create the report.

He wrote a generic inquiry in Acumatica and then wrote the code to put the information into Excel to compile the data he needed. "There's no way to do that with any other system I have seen," he says. "The robustness of the program to spit everything out into an O data feed is tremendous."

Acumatica seamlessly connects to Global Beauty Care's online store SPS Commerce and Ship Station, which allow the company to process orders without manually transferring data and ship items efficiently and quickly, increasing customer service.

Revolutionized Payment Process

A single Global Beauty Care employee now processes orders from its largest customer in about 8 minutes, saving more than 9 man-hours of time previously spent manually entering orders. Acumatica's automatic controls have erased the potential for invoicing mistakes.

Tracking Shipping Containers

To keep track of GBC's goods coming in from all over the world, Mizrahi uses Acumatica Partner PC Bennett's container management solution, which replaced the complicated, paper-filled bulletin board. "It was really crazy," he says. "We really needed a better solution."

Mizrahi created a way to receive inventory onto a temporary warehouse called "the ocean", which does a receiving of the goods to keep track of what's coming. On "the ocean" there are multiple container orders. When a single container is received, it gets billed automatically, eliminating the need for manual calculations and for a person to remember what has been billed. The process has "revolutionized the way we make payments to factories," he says.

More Productive, More Sales with Acumatica

"Being able to roll out to new employees without the added expenses of users is a tremendous benefit."

– Eric Mizrahi, Director of Operations & IT

Mizrahi likes that GBC can add users based on Acumatica's consumption model and not have to limit the company's growth. He says he's much more productive thanks to Acumatica and its ease of use. "I'm spending less time fielding IT questions and handling issues and more time on sales," he says. "I am spending a lot less time helping people with data entry because the business is now automated, and that's a huge component of our growth.