

ACTIVANT EAGLE'S CONSISTENT INTERFACE IMPROVES ORDERING EFFICIENCY AT BABEL'S PAINT AND DECORATING



PROFILE

Headquarters: Norwood, Massachusetts

Annual sales: \$7-8 million

Sales breakdown: 60% retail,
40% contractor/commercial

Number of employees: 50

Locations: 5

Founded: 1950

Affiliation: Mid-South Associates

"Our Activant Eagle system started to impact our bottom line quite some time ago and will allow us to continue our growth."

BOB LEVITAN
MIS MANAGER
BABEL'S PAINT AND
DECORATING STORE

Executive summary

Babel's Paint and Decorating has selected Activant Eagle™ twice: the first time in 1987 and again in 2000 when they made the move to *Activant Eagle* for Windows. After reviewing competitors' systems, they chose Eagle because it met their business requirements including: ability to grow with the business, user-friendly interface and the capability to manage inventory across multiple retail locations and a warehouse.

Eagle applications work together like paint and wallpaper

Babel's first location opened in 1950 as a small wallpaper store-about 800 square feet-in Norwood Massachusetts. In 1989, Victor Babel expanded the operations to 10,000 square feet and hired a professional store designer to help achieve his vision of an extraordinary shopping experience. As a result, Babel's has enjoyed record sales and growth in every part of their business: contractor, commercial, retail and in-home decorating. Since Babel's began it's growth path in 1996 the company has grown to four retail locations and a contractor-only warehouse. Babel's plans to open or acquire additional stores within the next five years and reach \$10 million in revenue.

While Babel's offers unique paint and decorating treatments for every room, they prefer a consistent look-and-feel in their business management solution. Activant delivers. Bob Levitan, MIS manager, says, "We have a significant special order business on the decorating side, and the Activant Advanced Special Orders and Quotes & Bids applications all work seamlessly as part of the Activant Point-of-Sale (POS) package. The screens are all similar, making the system very easy to use."

Special order business demands precise purchasing and inventory management

It's the ability to manage extensive inventory that makes Eagle so useful as a business tool for Babel's. Each day, they move inventory from the warehouse to the other three locations, managing about 13,000 SKUs for their retail stores "Distribution between the stores is done through the transfer system in Eagle, so we have an audit trail," says Bob. "When products don't show up where they're supposed to, we have the ability to go back and see where they belong."

Bob believes the inventory control system is one of the strongest points of the Activant system. "The inventory control system allows us to cost and control what's in each store. We're constantly using it to keep our inventories in check." With the help of Activant Inventory, Babel's has been able to set up internal programs that mitigate errors.

Babel's goal: use cycle counting to eliminate year-end inventory

Babel's store managers implemented cycle counting and, over the last two years, watched the percentage of shrinkage decrease to acceptable levels. Babel's currently distributes weekly lists of items to be counted. "We're doing cycle counts continually," relays Bob, "and the percentage of variance is much smaller than it used to be." Although Babel's still conducts a year-end inventory, it has become a smaller task. They manage the inventory count in-house rather than hiring an outside firm. "We count sections of the store one at a time to keep the focus on one area-and it seems to go smoothly. First, we print count sheets for each location and section to get an inventory snapshot. Next, we track what's been sold and received and analyze variances. Finally, we post those count sheets in the system."



Babel's hosts in-store paint and decorating seminars and workshops to educate customers.

Activant POS continues to perform as the business grows

As business has grown, so has the number of daily transactions. The Eagle system allows Babel's to move customers quickly through the checkout process. "We just did a quick analysis of year-to-date transactions," says Bob. "We've increased about 15 percent. Eagle Point-of-Sale is one of the best I've seen. It's very user-friendly and gives us the ability to grow."

Some employees were apprehensive about the migration from a character- to Windows-based system. Bob reports that the transition was seamless and even those unfamiliar with the Windows environment found it very easy to operate. "We use the training browser for new employees, which helps them quickly become proficient on the system. It makes it easy to add both new locations and employees as business increases."

Document Management reduces paper cost and hours per statement run

"Laser statements-without question-save us four to five hours for each statement run," says Bob. It collates all the invoices with the statements, we fold them in half, they go in the envelope and out they go. It's working very, very well."

Babel's has expanded the use of laser invoices and statements from one location to all five. "As we see it, even though we're investing in some equipment, our day-to-day expenses for supplies are greatly reduced. The cost of copy paper versus three-part invoices is significantly lower." To round out their document management efforts, Babel's uses the Activant Signature Capture solution to bring even greater customer checkout efficiency to their stores.

What is the biggest contribution Eagle has made to Babel's success? Bob describes a newfound awareness of what's really happening in the business. "In the long term, the Eagle system will allow us to continue our growth. One of the biggest differences is that we're more aware of what's happening in our business. We have real-time snap shots and are able to control some of our costs a little better and watch our inventory more closely. It started to impact the bottom line quite some time ago."

ABOUT ACTIVANT

Activant is a leading provider of business management solutions designed for companies with complex products in high-service distribution environments. Over 17,000 wholesale, retail and manufacturing customers use Activant to help drive new levels of business performance. With proven experience and success, Activant is fast becoming an industry standard for companies seeking competitive advantage through stronger customer integration. Our business management solutions include advanced software, professional services, content, supply chain connectivity and analytics.

To learn more about this or other Activant products and services, please call 888.463.4700.



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