

AN ERP SOLUTION THAT STICKS

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CLIENT SUCCESS STORY

Company Facts:

- HQ Location: Huntingdon Valley, PA
- Industry: Adhesives
- Previous Provider: Business Works
- Website: chemical-concepts.com

Features Highlighted:

- Inventory Management
- eCommerce
- Reporting & Analytics

Benefits Gained:

- Reduction of labor and costs
- Improved forecasting
- Inventory accuracy

A niche distributor in the adhesives market used Inform ERP Software to improve their inventory counts by 70%, setting the stage for future growth.

Nearly 60 years ago, Lois and C. Kenneth Zelle started what is now known as Chemical Concepts from the living room of their Philadelphia home. The couple recognized the importance of strategic partnerships as a growth strategy early on and built the business into what is now a leading supplier of adhesives, specialty chemicals and related products. Now, as the next generation steers the company into the future with aggressive growth goals in place, they have turned to DDI System's suite of distributor software technology to improve their inventory management, forecasting and online sales capabilities.

You'd be hard pressed to find another business like Chemical Concepts. While several adhesive distributors exist across the U.S., most are large corporations operating on high volume. Chemical Concepts employs a mid-sized staff, which includes sales, customer service and warehouse personnel. They've differentiated themselves not only through the industries they serve, but also through their expertise.

"We have a reputation around the country in terms of solving solutions," said Marvin Morris, third generation owner of Chemical Concepts. "People call us when they run into a problem and are looking for another way to put something together not using nuts and bolts."

In addition to their adhesive business, Chemical Concepts also sells Counterbalance, their own sub-brand of support systems for kitchen elements such as islands or breakfast bars.

While their consultative approach is what differentiates Chemical Concepts from the competition, Morris estimates approximately 30 percent of their business comes from online sales. This is through either online storefronts, Amazon, or through Lowes.com where the Counterbalance brand is sold. As such, accurate inventory management systems are key to ensuring fast fulfillment and customer satisfaction.

An Investment for Growth

After years of using PeachTree, an accounting software built for smaller businesses, Morris and his team had enough, knowing they needed a more robust solution if they wanted to continue growing.

"There were just too many clunky things about the software," said Morris. "We were continually losing searches, following too many steps to look up old invoices—it was just a huge time waster. I started doing some research around different ERP systems, which is when I came across DDI and the Inform ERP platform."

Before committing to Inform, Morris and his team requested a list of references and called different Inform users to hear about their experiences. One organization invited Chemical Concepts' leadership team to their distribution center so they could see the system in use.

"They spoke extremely highly of DDI System in terms of responsiveness and power," said Morris. "We made the decision to go with DDI because they were open to some versatility. If we wanted to make a modification to the program—like adding a couple of fields—there seemed to be that kind of ability."

"It also had all the right features, and I liked the fact that the reports were customizable," he added. "Searching functions were also extremely easy to use, which were one of our main issues with our previous system."

Purchasing Power

In the year since Chemical Concepts implemented the Inform platform, Morris estimates they have improved the accuracy of inventory counts by a staggering 70 percent.



"Our inventory used to be a mess with the way our business works," said Morris. "There was no easy way to do physical counts, which we did daily. But with Inform's cycle count setup, it's just been stellar. Now what people see in the computer is live, and they can be confident that it's accurate."

To achieve their growth goals, Morris and his team are looking to increase their online sales and expand sales coverage throughout the Great Lakes area and the southern part of the country. When they add new employees, Morris is confident that they will get up to speed on the software quickly due to the intuitive nature of the platform and the training tools offered by DDI System. "The help screens are great," he said. "It's really easy to understand DDI's system."

Morris also believes that the inventory management controls they've been able to gain through Inform ERP will help them achieve their growth goals. "The inventory management is just great," said Morris. "You know exactly when it's time to buy. The graphs do an outstanding job of presenting information so you don't overstock a particular item. It also points out very quickly what your 'dead inventory' is or items that aren't turning quickly. That certainly opens your eyes into particular categories that might be slowing down and focus on categories you might not have previously considered."

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