

# LEPCO

## ERP Makes the Grass Greener

### CLIENT SUCCESS STORY

*Since its founding more than five decades ago, Lawn Equipment Parts Company (LEPCO), a family-owned wholesale distributor of outdoor power equipment, parts, and accessories, has grown to handle six brands of power equipment and aftermarket parts for more than 1,300 dealers in the northeastern United States. LEPCO is based in Marietta, Pennsylvania.*

#### THE CUSTOMER

Established in 1970, Lawn Equipment Parts Company (LEPCO) is a family-owned-and-operated wholesale distributor of outdoor power equipment, parts, and accessories. Originally, LEPCO operated as an aftermarket parts distributor to independent lawn equipment dealers. Today, it handles six major brands of power equipment and continues to supply aftermarket parts to 1,300 dealers in the northeast region.

#### THE PROVIDER

VAI is an independent mid-market ERP software developer that automates critical business

functions for the distribution, manufacturing, retail, and service sectors. VAI's solutions leverage business intelligence, analytics, mobility, and cloud technology to help customers make informed business decisions and empower mobile workforces.

When its enterprise resource planning (ERP) solution could no longer effectively handle its range of products, nor the multiple delivery channels it offers its clients, management began searching for a more robust replacement.

Among other features, the new solution needed to offer forecasting and analytic capabilities, an advanced mobile application, and the ability to assemble a single source of data across the company. Its search led LEPCO to VAI, a provider of ERP solutions focused on mid-market

companies.

LEPCO offers more than 60,000 active stock-keeping units (SKUs); when repair parts are included, the number of SKUs jumps to more than 285,000. Its product lines range from tiny nuts and bolts to beefy lawn tractors.

While many consumers focus on lawn care equipment primarily in the summer, LEPCO offers products for all seasons, says Chris Reinhold, director of operations. In the fall, that equipment includes chain saws and leaf blowers; winter sales are heavier on snow blowers, while spring and summer are prime times for aerators and other lawn equipment.

"There's constant variation and peaks and valleys with products from multiple manufacturers," Reinhold says. A robust, modern



ERP system was essential to managing the breadth and depth of LEPCO's product lines.

The ability to meet the varying needs of LEPCO's approximately 2,100 customers also was crucial, Reinhold says. The company is known for its customer service, and much of its business comes from repeat clients.

### **MORE THAN A BACK OFFICE SYSTEM**

As a result, management needed "more than just a back-office operating system," says Rob Kintner, LEPCO's controller and director of human resources. Instead, management needed an ERP solution that would help the company reach its goals.

As it became clear LEPCO would need to find a new ERP system, it initiated a request for proposal process. Management listed the multiple criteria by which it would assess potential vendors. The winning solution needed to offer forecasting and predictive analytics, a robust mobile application, and other advanced features. As important, LEPCO needed one source of data across its enterprise. The solution's ability to facilitate quality customer service was also critical.

For LEPCO, quality service means, among other attributes, providing customers with multiple purchasing choices. "When customers want to buy, they buy how they want to buy," Reinhold says. LEPCO doesn't dictate the purchasing method to customers.

In addition to customers purchasing through dealers, LEPCO will, on behalf of its customers, drop ship to end users. It needed a system that could handle various types of sales.

Along with sales of new equipment, LEPCO provides repair parts. It also offers marketing materials to help its business customers establish appealing showrooms. In addition, LEPCO employees will assist when a customer is, for instance, preparing a bid to offer its services. It was important that the new ERP and website be able to facilitate these various functions.

### **MARRYING THE PRODUCTS**

In addition, LEPCO's warehouse is organized so that different products—say, small nuts and bolts—are located in areas separate from lawn tractors and other larger equipment. The products are picked separately and then married at the end, as the orders are getting ready to be

shipped out, says Frank Maggio, VAI project director. The ERP system had to accommodate this process.

VAI's S2K solution met these requirements. It "provides us with a comprehensive ERP system that has fully integrated applications, including business analytics and intelligence, CRM, e-commerce and mobile," Kintner says.

VAI, based in Ronkonkoma, New York, has been providing cloud-based ERP solutions to a range of industries for decades. "We're experienced and bring deep knowledge," says Kevin Beasley, chief information officer. Its solutions are geared to mid-market organizations, with a focus on the distribution, manufacturing, retail, and service sectors, among others.

Several attributes are key to VAI's offerings. Its solutions are built on standards-based technologies like HTML5 and can run on a range of platforms.

While LEPCO is using an on-premise solution, customers choosing a cloud-based system don't need to run their own system infrastructure. VAI also provides its cloud customers with a fully redundant data center.



In addition, VAI's ERP solutions incorporate artificial intelligence capabilities, allowing for more advanced forecasting and predictive analytics, Beasley says.

VAI's integrated ERP solution utilizes a single, central database, so clients no longer must manage disparate databases or assemble multiple spreadsheets to gain the information they need to guide their decision-making. The result is more accurate, consistent, and timely information, as all applications have access to the same, real-time data. "It's tightly integrated together," Beasley says.

A single database also streamlines operations. Organizations can update their records once and be confident the new information will be reflected across the organization. They no longer have to spend time making duplicate entries or copying files from one system to another. Finally, VAI's unlimited user license option means clients can add users without paying additional software licensing and maintenance fees.

### **PART-TIME, ON-SITE, AND REMOTE**

LEPCO's implementation of VAI's S2K solution started in 2018, and the solution went live in 2019. Multiple LEPCO employees

consistently worked part-time on the file conversion, programming, and implementation. "We're a certain size, but not big enough to dedicate an entire group to ERP implementation," Reinhold says.

VAI also had programmers working both on-site and remotely. The goal for all was to ensure the system could, from the start, maintain the service levels that differentiate LEPCO from its competitors.

Both the VAI and the older ERP system ran in parallel for about one month. "As important as it was to update the ERP, nobody wanted to lose any data during the transition," Reinhold says.

Management also needed the switch to occur after one of its peak selling seasons. This would allow more time to make any adjustments needed before sales again increased.

In November 2019, LEPCO shifted to VAI's S2K solution. "We functioned as a partnership and got it done in about one year," Beasley says.

Since the launch, LEPCO has been leveraging S2K to run multiple functions, including e-commerce, shipping, and inventory. "Our

focus since our go-live has been to stabilize S2K and maintain the highest level of service," Kintner says.

Moreover, LEPCO's user experience has improved significantly, when compared to its previous ERP software, Kintner says. That's largely a result of point-and-click functionality, rather than "the old green screen menu-driven operation," he adds.

LEPCO also has leveraged S2K's technology to gain efficiencies by developing the ability to upload and process data, such as billings, warranties, rebates, incentives, and vendor invoices, through the system. "A successful distribution model demands greater efficiencies and reliance upon technology to execute operations, versus hiring additional employees to process volume-related transactions," Kintner says.

More recently, LEPCO has been transitioning to the next phase of its ERP optimization, and focusing on specific modules of the system, including order entry, warehouse operations, and e-commerce. The goal is to more efficiently handle inventory availability, as well as backorders and allocations.

"These are key areas of our



business where we excel and determine our customers' experience," Kintner says, noting that S2K provides the ability to customize programming so LEPCO can meet the needs of its suppliers and customers, while maintaining stellar service levels.

LEPCO also has been focused on building greater intelligence within various modules, including order entry, and accounts payable and receivable. The goal of these efforts is to identify issues and opportunities and continually improve service levels, Kintner says. This also includes monitoring power system performance, in case an issue arises, such as a trial balance that's out of balance,

or challenges in posting.

### **FOCUS ON E-COMMERCE**

Another significant focus is e-commerce functionality. LEPCO continues to enhance its accounting- and billing-related functionality for dealers and customers. It has also built greater transparency for dealers to check the availability of inventory online.

Recently, LEPCO launched an S2K Smart Center for its employees, with a cleaner portal for each role. For example, accounts payable includes only KPIs associated with that role. "We look forward to continuing to see VAI develop the Smart Center portal as the front-end entry point of the ERP system

and all its applications," Kintner says.

As critical as the software is, Kintner notes that the people and support within VAI have been significant to the success of LEPCO's ERP implementation. "The service and organizational support of an ERP software provider seem to be significantly overlooked in the marketplace," he says. Instead, the focus is on the software, rather than the people supporting it.

"VAI's partnership is important, and it has been a valuable part of our integration into S2K," Kintner says. "We look forward to continuing to build our long-term partnership."

