Russell Sigler Heats Up Operations With Help From Sage ERP X3

Russell Sigler, Inc. is a leading wholesaler of heating and air-conditioning products. Headquartered in Phoenix, AZ, the company distributes the Carrier and Bryant product lines from 35 branch locations throughout the Southwest and California, providing contractors with all the necessary equipment, parts, and supplies for installing and maintaining quality commercial and residential air conditioning and heating systems. The company continues to grow its operations and increase its presence in the market, relying on Sage ERP X3 to help successfully drive its operations.

Scalable Solution

The company implemented Sage ERP X3 in 2004, after a comprehensive selection process that included a review of J.D. Edwards and NxTrend. Shortly after the implementation, Russell Sigler went through a major expansion, more than doubling its revenues and employee count, and adding 25 additional locations.

Rich Unterbrink, IT manager for the company, says that an expansion on this scale would have been impossible without a powerful, scalable ERP solution like Sage ERP X3. "Sage ERP X3 has plenty of horsepower and it handled our growth without any trouble. We now have more than 400 users and Sage ERP X3 takes it all in stride."

Rapid Implementation

The company successfully completed its initial implementation in just eight months, enabling it to bring its new branches online quickly and without significant business interruption.

When opening a new location, Russell Sigler uses a train-the-trainer approach. "We bring in a few personnel from each new branch for training on Sage ERP X3. They then train the balance of their team," explains Unterbrink. "Overall, our users find it easy to learn and easy to use. We have an in-house support team as well, standing by to answer questions about the product."

Flexible Architecture

Taking advantage of software architecture that lends itself to customization, the company and Sage built in important business-specific functionality, including vendor claims capabilities.

Customer
Russell Sigler, Inc.

Industry
Wholesale Distribution

Location
Phoenix, Arizona

Number of Locations
35

System
Sage ERP X3

Challenge

Russell Sigler requires a robust, scalable solution that can handle all aspects of its busy distribution operation.

Solution

Sage ERP X3 delivers supply chain management, forecasting tools, and point of sale functionality based on a highly scalable and flexible platform.

Results

The software easily handled a tripling of locations and doubling of users counts without interruption. Powerful inventory management tools optimize supply chain.

This integral part of Russell Sigler's business allows the company to claim rebates for products that are sold to certain customers under certain cost/price conditions. With its flexible, robust development toolset, Sage ERP X3 readily accommodates this value-added component and eliminates time-consuming and error-prone manual claims tracking and invoicing.

The claims process now is fully automated, with complete tracking and reporting on eligible rebates. With 25 percent of business activity involving claims, a significant amount of savings is realized from the automation of this functionality alone.

Broad Functionality

Sage ERP X3 provides excellent support for counter sales at the company's branch locations. "We handle both cash and account transactions at our sites," says Unterbrink. "Very few ERP systems have the supply chain controls that Sage ERP X3 has, plus point of sale capabilities. It is a testament to the broad functionality of the software."

Quick access to customer and product data helps drive efficiency throughout the organization. This has an especially positive impact on the company's fast-paced counter sales and call center areas. Using the extensive drill-down and drill-around capabilities within the software, staff can more quickly and easily access information from a comprehensive customer and product database. Ease of navigation also speeds data input. With a busy group of contractors either coming into the branches directly or contacting Russell Sigler representatives by phone, providing fast, accurate customer service is a major contributor to the company's success.

Optimizing the Supply Chain

The company's multi-site environment poses strategic

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challenges because all branches are closely intertwined from a supply and demand standpoint. The company continually transfers inventory between sites to help satisfy local customer needs, so it is common for a branch to pull inventory from another branch's stock. By integrating effective forecasting, inventory replenishment controls, sophisticated order fulfillment, and inventory sourcing, the company is able to better position inventory to satisfy customers' demands.

"We have more than 40,000 part numbers, thousands of customers, and dozens of locations," explains Unterbrink. "It is vital to our success that we have the products our customers want available when and where they want them. Sage ERP X3 helps us do that."

About Sage North America

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