

ACCPAC[®] *success*

Future Cellular Dials Up Visionary Multi-Site Kiosk Solution with ACCPAC Advantage Series and ACCPAC ePOS

Future Cellular, central Ohio's largest Verizon Wireless agent, offers a large selection of cellular phones, accessories, prepaid items and nationwide cellular service at kiosks located at major chain stores in the area. Shortly after rolling out the first kiosks in 1996, the company's business systems began to collapse under the weight of increasing transaction volume and a lack of integration.

A comprehensive business automation solution was implemented that addressed the company's concerns. The new system consisted of ACCPAC Advantage Series Enterprise Edition on the back end and the ACCPAC ePOS point of sale system on the kiosks, both running on the Red Hat Linux operating system and supported by the IBM DB2 database. Future Cellular benefited immediately from improvements in inventory management, financial reporting and customer service once its upgraded business systems were in place.

POS and Accounting Shortcomings Take Their Toll

After introducing its first kiosks, Future Cellular processed only a few dozen transactions per day at each one. This was the maximum transaction volume the basic point-of-sale (POS) and accounting systems could handle at the time. However, as the number of kiosks and transactions quickly grew, the entire system began to fail. Along with a never-ending battle to patch bugs, sales and inventory reports often contained erroneous data. In addition, because employees couldn't monitor inventory from the central warehouse, Future Cellular's drivers had to travel to every kiosk (up to 125 miles each way) to physically check inventory.

SUMMARY

Future Cellular decided to abandon its existing POS and accounting systems in order to fully automate inventory management, financial reporting and customer service. A comprehensive solution was implemented consisting of ACCPAC Advantage Series™ Enterprise Edition and ACCPAC ePOS™ running on the Red Hat® Linux® operating system supported by the IBM® DB2® database. Advantage Series provides complete inventory control, accurate and timely management reports and improved levels of customer service.

CLIENT PROFILE

Columbus, Ohio-based Future Communications, dba Future Cellular, is central Ohio's largest Verizon Wireless agent. Future Cellular offers a large selection of cellular phones, accessories, prepaid items and nationwide cellular service. Customers can order cell phones, matching plans and accessories for their phones at kiosks that are strategically located in major chain stores.

BUSINESS CHALLENGE

Frustrated with inadequate POS and accounting systems that were causing widespread inefficiencies, Future Cellular desperately needed to find a fully integrated solution that could handle the rapidly increasing volume of transactions. Inventory management, financial reporting and customer service were key considerations in finding the right solution.

ACCPAC SOLUTION

ACCPAC Advantage Series Enterprise Edition

- General Ledger
- Accounts Receivable
- Accounts Payable
- Inventory Control
- Order Entry
- Purchase Orders

ACCPAC ePOS

BENEFITS

With the assistance of ACCPAC Business Partner Acclink, Ltd., Future Cellular overcame years of frustration with its business systems by implementing a comprehensive business solution – ACCPAC Advantage Series. This system's ability to run on Red Hat Linux with the IBM DB2 database and integrate with the ACCPAC ePOS point-of-sale system has led to a dramatic boost to Future Cellular's bottom line. Inventory management, financial reporting and customer service have improved significantly with ACCPAC Advantage Series at the core.

INDUSTRY

Telecommunications

GEOGRAPHIC LOCATION

United States



Inventory Management Problems – Lost Revenues and Added Expenses

In the wireless telephone business, phones can become obsolete very quickly. Therefore, when Future Cellular ordered phones on consignment, it had 45 days to either sell the phone or return it without penalty. If the phones were not returned on time, the company was not only stuck with the unsold merchandise, but also had to reimburse the full retail price of the phone.

Unfortunately, because Future Cellular lacked the proper systems to effectively manage inventory, it constantly missed return deadlines and had to pay full price to its vendor for the unsold phones. These expenses not only began to mount; they couldn't be recouped.

ACCPAC and Acclink Drive Comprehensive Kiosk Solution for Future Cellular

When Jim Kirwan was hired as Future Cellular's chief operating officer, his initial challenge was to find an off-the-shelf accounting package and integrated POS system that would enable the company to effectively track sales, prospects and inventory at multiple locations from its central warehouse. The new accounting system had to manage inventory, create professional-looking financial statements and help facilitate the best possible customer service. With entry-level sales personnel manning the kiosks, the POS system had to be simple to learn and use in order to keep ordering mistakes at a minimum. Plus, it had to possess the flexibility to handle consignment phone transactions, organize the sale (for example, matching customers with the right cell phone plans and phones)

and return the data to the accounting system at the main warehouse.

Kirwan began investigating which accounting and POS software would best match Future Cellular's long-range goals and needs. He knew the company wanted an accounting package that offered top-flight inventory management, order entry and integration to the POS system. During his search, he found Acclink, Ltd., a reselling partner for ACCPAC International, Inc. in the Columbus, Ohio area, and contacted the company to determine whether or not it could help Future Cellular achieve its goals. Jackie Taylor, Acclink's general partner and sales and marketing director, visited on-site and after discussing concerns and goals with Kirwan and his team, felt confident that she had a solution that would fulfill the company's long-term needs.

She recommended ACCPAC Advantage Series Enterprise Edition to manage Future Cellular's accounting, inventory and customer service functions. She also suggested ACCPAC ePOS, a highly flexible POS system that could accommodate the variables of the cellular phone industry and provide seamless integration with ACCPAC Advantage Series.

Linux and DB2 Answer the Call for High-Volume Transactions

With the volume of transactions rising quickly, Future Cellular also needed an operating system and database stable enough to grow with it long-term and eliminate the expense of another upgrade down the road. The company's wish was granted in a very unusual manner. At an industry convention, IBM and ACCPAC were finalizing plans to run ACCPAC Advantage Series on the Linux operating system using



the IBM DB2 database. Already aware of Acclink's proposal to Future Cellular, IBM contacted Jackie Taylor to find out if her client would be interested in serving as a partner in a complete accounting/POS solution running on the Red Hat Linux operating system supported by the IBM DB2 database. Unsurprisingly, Taylor quickly got the green light from Kirwan to move forward with the implementation.

ACCPAC Real-Time Information Flow Boosts Future Cellular's Bottom Line

Acclink moved quickly to implement the new solution and in January 2002, Future Cellular went live with the new system. The results were startling. What had been a painfully slow and cumbersome process in the past was now real-time and accurate. All information entered into ACCPAC ePOS at the kiosks was now flowing directly into ACCPAC Advantage Series, promoting dramatically improved inventory control and more comprehensive customer and financial data.

According to Kirwan, “With the new ACCPAC Advantage Series system in place, we immediately reaped all the benefits of real-time information flow throughout the system. We had complete control over our inventory. We were able to tell how many phones were at each kiosk at any time from our central warehouse. As a result, we didn’t have to waste so much time and expense sending our drivers from kiosk to kiosk to check inventory. In fact, we used to carry between \$400,000 and \$500,000 of inventory when we were on consignment with the old system. Now, with ACCPAC at the controls, we only carry \$160,000 – that’s a two-thirds reduction in inventory!”

“All the accounting processes in ACCPAC Advantage Series work flawlessly,” continues Kirwan. “This has resulted in a dramatic improvement in our financial reporting and customer service, which is critical. Since we can generate the monthly management reports we need, we have a much better handle on where we are financially at any given time. There’s no more guesswork when we plan for the future. The improved financial reporting has also helped us receive larger lines of credit from our vendors and banks.

“With ACCPAC, Future Cellular is getting the benefits of an enterprise-level solution at mid-market pricing.”

Furthermore, we need only one full-time accounting person because the system is so automated. It’s everything we had hoped for.”

As Taylor states unequivocally, “The ACCPAC Advantage Series solution, supported by ACCPAC ePOS, Linux and DB2, have teamed up to give my client a complete business automation solution for the long haul without ever having to upgrade to a new package. With ACCPAC, Future Cellular is getting the benefits of an enterprise-level solution at mid-market pricing.”

In addition, with so much data flowing smoothly throughout the system and no costly downtime to endure, the combination of Linux and DB2 has been stellar. In fact, Taylor is so committed to the operating system and database that she has added a specialist to her staff just for those products.

The Icing on the Cake – Teleconferencing from the Kiosks

There was still one key component left to complete Future Cellular’s wish list. The company’s president, Wayne Hinerman, wanted the kiosks to have teleconferencing capability so that customers could simply push a button to access Future Cellular’s sales and technical personnel. With this teleconferencing capability, field managers could also train and supervise

the kiosk operators. Kirwan already knew of a teleconferencing package that could run concurrently with ePOS at all the kiosks and Acclink quickly performed the installation.

ACCPAC, Acclink and IBM – A Winning Combination for Future Cellular

Jim Kirwan is delighted to see how all the players pulled together to make his vision a reality. “Acclink really supported us through the entire process, starting with its proposal to make ACCPAC Advantage Series the core of our solution all the way through the installation of the teleconferencing system. Acclink’s professionalism, passion and persistence are greatly appreciated. IBM’s timely intervention to propose partnering with us for the Linux and DB2 components cannot be emphasized enough, and its representatives have been absolutely outstanding.”

With the new state-of-the-art kiosks in place and ACCPAC Advantage Series managing the flow of information to the central warehouse, Future Cellular is showcasing a new wave in retail sales and inventory management. From the central warehouse, all kiosk transactions can be viewed in real time. Plus, on each terminal, icons for a variety of products such as flowers, honey-glazed hams and chocolates from leading manufacturers allow shoppers to place orders right from the terminal. This is a tremendous revenue generator for Future Cellular in addition to its primary sales of cell phones, plans and accessories. Very soon, Future Cellular will unveil ATM-style machines that can dispense not only cash and prepaid phone cards, but actual phones that will be dispensed much in the same way as candy from vending machines. The future is here in cellular.



About Future Cellular

Founded in 1990, Columbus, Ohio-based Future Communications – dba Future Cellular – has become central Ohio's largest Verizon Wireless agent. With tens of thousands of consumer and commercial customers, Future Cellular has achieved the Verizon Agent of the Year Award eleven times. Future Cellular offers a large selection of cellular phones, accessories, prepaid items and nationwide cellular service. Future Cellular has averaged 20 percent growth per annum and has established kiosks in 19 locations with projections of 300-400 locations by the end of 2003. The company stands on the leading edge of kiosk-based sales and marketing with visionary POS and teleconferencing technologies built right into the kiosks. Currently, 50 employees comprise the staff at Future Cellular. For more information about Future Cellular, visit www.futurecellular.com.

About Acclink

Acclink, Ltd., an authorized dealer for ACCPAC International, Inc., offers a complete line of industry-specific solutions that integrate to its clients' accounting software. Its staff of qualified installers and trainers is formally educated in accounting, business and computer information systems, achieving the highest levels of certifications. Acclink has over 30 years of experience in computerized business and accounting systems. Its corporate offices in Westerville, Ohio are equipped with high-tech communication services that provide clients quick access to technicians, trainers, and on-site training classes and educational seminars. Acclink services include application installations, complicated data recovery operations, education and training. For more information about Acclink, visit www.acclinkltd.com.

About ACCPAC

For more than 20 years, ACCPAC International, Inc. has been developing business management applications that deliver high performance, advanced functionality and cross-product integration to small and medium size enterprises. Today, ACCPAC offers a broad range of integrated accounting, CRM, e-commerce, EDI, HR, warehouse management, point-of-sale and manufacturing solutions designed to enhance competitive advantage and increase profitability.

A subsidiary of Computer Associates, Inc. (NYSE: CA), ACCPAC is based in Pleasanton, California, USA. With offices in Asia, Australia, Canada, India, Mexico, the Middle East, South Africa and the United Kingdom, ACCPAC has more than 500,000 registered customers and 6,000 business partners in more than 130 countries worldwide.

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