

# CUSTOMER SUCCESS STORY

Online Retailer of RV Parts & Accessories Drives Big Savings & Improved Cash Flow with VALOGIX® Inventory Planner

### **American RV**

#### **Quick Facts**

#### **Company**

- Name: American RV Company
- Location: Azusa, California,
- Industry: Retail, Distribution
- Products and services: Camper Sales,
   Parts and Accessories Sales and
   Distribution
- Items managed: 17,000 SKUs,
- Web: www.americanrvcompany.com

#### **Challenges**

- Seasonal Demand Patterns
- Excess stock
- Stock-outs
- Lack of visibility to inventory
- Managing hundreds of orders a day
- Inefficient use of planning staff time

#### **Objectives**

- Reduce planning time
- Optimize stock levels
- Lower shipping costs
- Reduce shipping time to customers
- Increase Customer Satisfaction
- Increase planning efficiency



"The SAP Business One implementation has provided better insight into our business and facilitates automation but most of the ROI is coming from the Valogix Inventory Planner."

John Nelson General Manager American RV Company



#### Why Valogix?

- Automated forecasts
- Tight integration with SAP® Business One
- Ease-of-use
- Management of seasonal and high volume items

#### **Benefits**

- Reduce time required to perform inventory planning over 80%
- Increased inventory availability
- Reduced shipping costs by 15%
- Reduced inventory levels by 20%
- Reduced stock-outs and backorders
- Return on investment in under 3 months

#### **Previous Planning Approach**

Complex, mistake-prone and time-consuming spreadsheets and reports.

**New Solution Approach** 

SAP Business One and VALOGIX Inventory Planner



We process hundreds of orders per day. With over 17,000 SKUs growing to 20,000 by early next year we can't manage our inventory without Valogix."

-John Nelson General Manager American RV Company

## Before Valogix —Planning Inventory Was No Vacation

The American RV company is a distributor of Recreational Vehicles & Accessories in Azusa, CA. Their Mission Statement say's it all: "It is American RV's goal to provide superior sales and service, characterized by honesty and integrity. At American RV, we will continue to improve all facets of our services, and to fulfill the confidence you have placed in us in order to be your dealer of choice."

To maximize customer satisfaction, American RV's objective is to stock popular inventory items in order to meet huge daily order requests and fill orders within two days. Like many businesses, American RV planned inventory using complicated spreadsheets and intuition. Achieving balance with an inventory of thousands of items with seasonal patterns was a significant challenge.

According to John Nelson, GM, "We process hundreds of orders per day. We have 17,000 SKUs growing to 20,000 by early 2015—and can't manage our inventory without Valogix Inventory Planner."

#### Automated Forecasts and Optimum Stocking Quantities Lead to Reductions

Accurately planning for thousands of seasonal items becomes extremely difficult due to the sheer volume of information needed to make good decisions. Providing American RV with an alternative to their time-consuming spreadsheets was the only way to enable them to meet their business objectives.

Information on spreadsheets is static becoming out of date very quickly. American RV needed a solution that could very easily and accurately manage all of their stock. Valogix provides the key information they need rapidly so they can make smart decisions and use the cash they saved on inventory to invest in other areas of the business.

Within few months of implementing VALOGIX Inventory Planner, John noticed big improvements in the stock mix and the time it took to do planning noting, "you don't need understand what algorithms do, but the results are easy to understand."

### Efficiency Adds to the Return on Investment

Within a few months of using VALOGIX Inventory Planner American RV started to see results.

According to John, "In a very short time we were able to reduce overstocks and excess inventory by more than 20%, and planning time has been reduced by 80%."

American RV is now benefiting from increased visibility of their stock, they know instantly where stock is and what stock is needed without lengthy computations and checks. According to John "The new SAP Business One implementation has provided better insight into our business, but most of the ROI is coming from the VALOGIX Inventory Planner."



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