



Lean – wholesale trade more and more puts trust in slimline, IT-based business organization

As in many other branches, the electronics wholesale trade has recognized the signs of the time. In times of declining margins and online-shopping, it is indispensable to create slim and effective business structures in order to stay competitive. The example of the H.Vollmer GmbH, an innovative specialized mail-order business for electronics, kitchens and furniture, located in Königsbach-Stein, indicates how a wholesale trader can create an efficient business organization with the aid of a modern ERP software. A process chain that is depicted in the standard business software abas Trade schematizes operations, increases productivity, provides transparency and helps to save costs.

Innovations ensure business success

The electronic wholesale trade H. Vollmer GmbH has a very diverse product line, ranging from decorative lamps, halogen low voltage lamps and garden lighting to vacuum cleaner bags. The company is expanding and is successful. CEO Günter Vollmer: "Due to the possibility in competition to copy everything, one has to develop, produce and market innovative products faster and faster. In our sector of industry the "big fish" does not eat the "little fish", but the "fast" prevail against the "slow".

Vollmer has a lot of innovative products in its line of goods. The halogen technology of Vollmer can for example help hotels to save energy. Dimmable energy lamps with a halogen high voltage holder GU10 only use 5 watts of energy. The company from Königsbach exclusively supplies electronics, kitchen and furniture traders. A high delivery capacity and transparency of the company data is necessary for a company's success. About 40% of Vollmer's customers are in wholesales and about 60% in specialized trade. Vollmer counts several DIY superstore chains among his customers. CEO Günter Vollmer: "In order to stay in business with DIY superstores, the logistics within the company has to be very good. Contract penalties are common practice in contracts."



The wide-ranging product line of the electronics wholesale trader comprises among other things garden lighting products and vacuum cleaner accessories.

Used business software reaches its limits

From December 1999 until February 2003, a standard ERP system had already been used at Vollmer. Nevertheless, the used solution was not very satisfactory. The settings the system made regarding the company organization were just not flexible enough. Individual adjustments were not possible or could only be carried out with considerable expenditure of time. Günter Vollmer: "After 3 years we started looking for a new system. Selection criteria were the flexibility of the software, investment security and the guaranteed future of the system. Nowadays, making a wrong decision in terms of company IT can have serious effects on the company." When choosing a software, Vollmer trusted a proven mix of information procurement. On the Internet he looked for software providers that offer an ERP trade solution.



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After looking at the information material, some of them were invited to do system presentations. Furthermore, all remaining candidates were asked to indicate reference user and some of these were visited.

“We just liked ABAS the best. The presentation of the software at our office location, the function range of the software, the possibility to operate the software via the Internet, the statements the reference users made, the expertise of the supporting abas partner and the concepts for a methodological implementation finally convinced us,” says Günter Vollmer when asked about his decision.

Software implementation methodology offers security and helps to save costs

The decision in favor of abas Trade, an ERP software especially tailored to the needs of a retail company, was made in February 2003. By mid March the introduction of the system was started. Vollmer was following the method of the abas project management. An efficient, cost-effective as well as direct ERP introduction was the goal. Step by step the project is carried out by ABAS employees and the employees of customer. Each step was secured by a quality check, therefore the transparency of costs and project development were guaranteed at all times.

Jasmin Tögel, head of IT and project manager for the software implementation at H. Vollmer GmbH: “In a first step a key-user team was formed that had to go through a standard training. Then, a test installation of abas Trade was implemented at our office location. Each of the 17 employees that would be working with the software was trained in his specific field.

At the same time, a project team consisting of our employees and of the abas Software Partner, who is only located a few kilometers from us (ABAS

Projektierung GmbH) was built. This team defined the necessary organizational changes of the business processes and the adjustments that had to be made to abas Trade. Then, all the users were trained intensively by the key-users. In doing so, the employees received exercises and thus were soon acquainted with the new software. Adopting the data into the system took place automatically. We hadn't processed our data perfectly. Therefore, e.g. the information for the customs clearance was missing in the product master files and thus the adoption of the data was a little jumpy.” However, for the real start everything went smoothly. It was carried out using the so-called “Big bang method”. Until Friday evening the old solution was used at Vollmer, the weekend was used to transfer the data and the real start took place on Monday morning.

Increased efficiency and transparency

For the retail company from Königsbach it was especially important to have a continuously depicted process chain in the software. Since the implementation of abas Trade this can be found in the company. Today, in order to save time, the data is only entered once. There is a special input screen for all processes. From sales order to financial reporting all the information is available at any time. With up to 500 outgoing packages per day an interface to Vollmer's postal system, in order to automatically enter the data in the ERP system, was indispensable. The interface is now set-up and the mail order is now perfectly integrated into the process chain. For Vollmer the individual adaptation of the customer information system that is integrated in abas Trade is of utmost importance. By using the infosystem, E-mails can be sent and homepage URLs can be called up from the ERP software. A further process creates new sales processes, customers, projects and tasks. All sales relevant infosystems like outstanding quotations, outstanding blanket orders or the list of outgoing invoices is recorded in the customer infosystem. The customer or the invoice recipient is transferred to these infosystems as a default parameter.



With up to 500 outgoing packages a day the logistics within the company have to be perfect.

abas Business Software at Vollmer GmbH

At present, 18 workstations are being used at H. Vollmer GmbH. The users running on Windows. All abas Trade modules (goods and materials management, warehouse management, scheduling, sales with sales order processing, purchasing with purchase order processing, as well as financial accounting) were installed. The ERP system runs on a Maxdata Platinum Linux Server. The operating system Windows NT is installed on the client PCs. At the time of implementation new hardware was also installed.

Jasmin Tögel continues: "We have analyzed and schematized the processes in the company and depicted them in the software."

Every employee now knows exactly what needs to be done to edit processes with a maximum of efficiency. It is our goal to increase our inventory turnover by 30% with our present

Each customer now has its own screen at Vollmer. Via the page tabs that are integrated into the screens, all available information about the customer can be displayed. Günter Vollmer: "If a customer calls, he immediately has to get assistance on the phone. Since the screen design is tailored to our needs, all the customer data is instantly available." He continues: "The ERP software also provides more information. There are multifaceted evaluations available from the system, especially for management. For example, how do different customers develop, how high is the profit margin on a sales order, how much turnover does a sales person make, how are costs looking... at the press of a button the system will generate the desired information. Using the integrated accounting, abas Trade has become an indispensable instrument in controlling and management."

manning level and to further increase our delivery reliability." Moreover, the service for the customers is to improve even further. In the future, Vollmer wants to implement a barcode connection with box system and use the eBusiness package that is integrated in abas Trade.

Jasmin Tögel, head of IT at Vollmer GmbH: „Our company is expanding. Our line of products grows, every year over 60,000 catalogs are sent per print run. The returned catalogs will be evaluated by the system. These evaluations are very important for us, we now know immediately, which way the orders take. The processes that have to be edited daily are increasing continuously. The amount of data has almost doubled in the last year. An IT based process organization should support our company growth and ensure that our service and our delivery capacity remains on the accomplished, high level.

Günter Vollmer: "We are registering a growing acceptance of our customers to use the Internet. On the Internet we will offer several things in order to further expand our service and our delivery reliability. For example, the possibility of tracking purchase orders and sales orders will be provided via the Internet. Using his/her personal access data, the customer logs on to our system via the eBusiness component that is integrated in abas Trade. The customer can shop, get information about his purchase order, find out about the delivery capacity of different products or call up statistical information about his/her business relationship with us. The possibilities abas Trade offers us are manifold."