



At a Glance

Rugs Direct

Industry

Multi-channel retailer

Headquarters

Winchester, VA

Employees

53 employees

Logistics

Collection of over 60,000 rugs

Solution

Epicor for Distribution

Business Challenge

Dramatic growth required more robust ERP solution that could be tailored to fit unique business needs

Solution

Highly functional, flexible and scalable accounting and distribution management solution with flexible platform and strong customization capabilities

Business Benefits

- Real time visibility into drop-shipments
- Ability to provide customers, staff and suppliers with high level order detail and tracking
- Improved efficiency through interface between core application and line-of-business solutions
- Ability make business-critical customizations

Return on Investment

- Improved efficiency and automated processes enables more than 400% increase in number of daily shipments
- Tighter order tracking enables reduced burden on its customer service center

As a leading supplier of rugs from around the world, Rugs Direct offers a selection, style and value that are unmatched. A multi-channel retailer, Rugs Direct offers a collection of more than 60,000 rugs from synthetic to hand-made, Oriental to Persian, contemporary to traditional, through its e-commerce site www.rugsdirect.com, two brick and mortar stores and a mail order business. Since its founding in 1999, the company experienced tremendous growth and realized its current financial system would not support recent or future growth.

"We were doubling, sometimes quadrupling our business every year. The technology system we had became obsolete, and our staff was not able to utilize it to get their jobs done effectively," said Randy Kremer, president of Rugs Direct.

"We needed to find a solution that was robust enough to meet our needs, but we were also looking for a technology partner that we could develop and grow with in the future." Rugs Direct evaluated solutions from Microsoft Business Solutions (Great Plains), Best Software (ACCPAC and MAS 200), Icode, and Epicor, ultimately selecting Epicor for Distribution.

"We selected Epicor for three key reasons: first because its Microsoft SQL Server platform would provide us the flexibility we required; second it was affordable in comparison to the other solutions we evaluated; and finally for Epicor's willingness to partner with us to create the customizations that best fit our business needs," said Kremer.

Creating Business-Critical Functionality

For Rugs Direct, the ability to make customizations was essential since its multi-channel operations require integration with several line-of-business solutions. The company already had a robust e-commerce system that needed to interface with Epicor, and integration was also required with the company's homegrown systems for its call center and a point-of-sale (POS) system used in the retail stores.

Since the initial implementation, Rugs Direct has found further ways to leverage the flexibility of Epicor for Distribution, which serves as the hub for all transactional and financial information. The company worked with UPS Business Solutions to implement a solution that allows order data from Epicor to be put in the format needed to advance the order cycle. "We've taken the inventory picking functionality in Epicor for Distribution and created our own triggers to push select data into the UPS system which enables us to print shipping labels over the Web," said Greg Culler, CIO for Rugs Direct. "This integration also enables us to get the shipping and tracking information back into Epicor for order resolution."

The integration is critical to Rugs Direct, which processes about 80 percent of its orders as drop-shipments. "Working with just-in-time inventory, we have critical business needs in terms of order tracking," said Kremer. "The integration between UPS and Epicor gives us real time visibility into our shipments as they leave our various suppliers." Rugs Direct has also created an interface between Epicor and VeriSign, which it uses for its online payment processing, and is working with Epicor partner eBridge to implement electronic data interchange (EDI) capabilities.

A Company-Wide Resource

Today, Epicor for Distribution is used at every level and in every function of Rugs Direct. The solution's company-wide footprint has created efficiencies in many areas, including dramatically elevating the company's order processing capabilities. "Previously, we were lucky if we could ship 70 packages a day because of all the manual processes," said David Craig, CEO for Rugs Direct. "With Epicor for Distribution and the integration to the UPS solution, we've had days where we've shipped over 300."

Rugs Direct has also seen a reduced burden on its customer service center by developing a front-end customer service and POS interface to provide staff with access to all mission critical information from one screen. "With Epicor for Distribution, we are able to provide a high level of order detail and tracking which has significantly reduced the number of calls from customers and suppliers on order status," said Kremer. "This translates to a significant cost savings as well as contributing to our overall efficiency."

Flexibility Drives Success

According to Kremer, the increased efficiency enabled by the functionality in Epicor for Distribution as well as the integration capabilities is a great asset. "In our competitive industry, it's essential that we operate efficiently with minimal overhead in order to generate profitability and that is where Epicor for Distribution is really helping – to drive profitability and enable us to expand our market," said Kremer.

Further benefits are seen from the ability to manage Rugs Direct's multiple line-of-business systems in house, enabling the company to have almost instant access to data and providing a competitive advantage. "The Epicor solution has enabled my department to create a level of efficiency within our own systems that I don't believe our competitors are able to do," said Culler.

Rugs Direct continues to strategize on how to leverage the technology solution to create further efficiencies. "Implementing a solution like Epicor for Distribution with a flexible platform that allows us to make key integrations as needed is a major benefit," said Craig. "As far as the potential for the operational efficiencies enabled through Epicor, we haven't even scratched the surface yet."

"In our competitive industry, it's essential that we operate efficiently with minimal overhead in order to generate profitability and that is where Epicor for Distribution is really helping – to drive profitability and enable us to expand our market"

RANDY KREMER, president

Rugs Direct

About Epicor

Epicor is a leading provider of enterprise business software solutions to the midmarket and divisions of Global 1000 companies. Founded in 1984, Epicor serves over 20,000 customers in more than 140 countries, providing solutions in over 30 languages.



Worldwide Headquarters
18200 Von Karman Avenue, Ste
1000
Irvine, California 92612 USA
Toll Free: +1.800.999.1809
Phone: +1.949.585.4000
www.epicor.com

Europe, Middle East & Africa
Headquarters
1 The Arena
Downshire Way
Bracknell, Berkshire RG12 1PU
Phone: +44.0.1344.468.468

Epicor Asia Pacific Headquarters
238A Thomson Road #23-06
Novena Square Tower A
Singapore 307684
Singapore
Phone: +65.6333.8121

Epicor Software – Australia
Level 32, Northpoint
100 Miller Street
North Sydney, NSW 2060 Australia
Phone: +61.2.9927.6200
www.epicor.com.au