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With help from Sage ERP X3 and Sage Enterprise Intelligence, Satellite Industries grows revenue while reducing costs

Satellite Industries, Inc. is the world's largest supplier of portable sanitation equipment. Headquartered in Minneapolis, Minnesota, with offices throughout North America and Europe, Satellite Industries is a model of operational efficiency. To support its distributed worldwide operations, the company selected Sage ERP X3 and Sage Enterprise Intelligence.

Functionality and flexibility at a sensible price

Several years ago, the company implemented Sage ERP X3, replacing a homegrown software system and several disconnected processes. Organic growth and multiple acquisitions led the company to seek a powerful, integrated enterprise resource planning (ERP) solution to enable it to better meet the needs of its growing operation. Not only has Sage ERP X3 exceeded Satellite Industries' expectations, it has become the foundation the company is building its growth and expansion on.

Sage ERP X3 was selected from a field of nearly 40 competing software systems, including Microsoft Dynamics AX, daily.commerce, and Oracle. "Other packages claimed to offer the capabilities to manage all aspects of our complex business," says John Babcock, chief financial officer of Satellite Industries. "However, we learned quickly that when other vendors used the word flexible, what it meant was overly complex and expensive. Only Sage ERP X3 was able to deliver the functionality we needed—along with real flexibility—at a price point that makes sense."

Warehouse automation increases shipping throughput

"It was important for us to find a system that would provide complete supply chain visibility and control," says Satellite Industries' president and CEO Todd Hilde. "Sage ERP X3 meets our supply chain, customer collaboration, and multinational requirements, and we were confident that our Sage partnership would result in meeting our business objective of serving our customers and our business partners better."

Customer
Satellite Industries, Inc.

Industry
Manufacturing/wholesale distribution

Headquarters
Minneapolis, Minnesota

System
Sage ERP X3
Sage Enterprise Intelligence

Challenge
Significant growth and global expansion strained Satellite Industries' system of disconnected business management applications. Financial reporting was a time-consuming and laborious process, with month-end closing often taking more than 15 days.

Solution
Sage ERP X3 was selected from a field of 40 competing solutions. Its ease of implementation and robust multinational capabilities made it the clear choice. Sage Enterprise Intelligence delivers real-time decision-making data.

Results
Single solution addresses all aspects of the international company's operations. Improved supply chain management supports high-volume yet lean operations. Better business intelligence boosts cash flow and provides real-time, actionable data.

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John Babcock, CFO
Satellite Industries, Inc.

Just three months after implementation, Hurricane Katrina struck, spiking demand for the company's products. Satellite Industries successfully handled the equivalent of six months of business in just 30 days. "We would not have been able to accomplish this using our previous system," says Babcock.

The company is currently in the process of opening a global distribution center, fully automated using Sage ERP X3 warehouse management functionality. "We have implemented barcode tracking, directed picking, and directed put away throughout the warehouse," says Babcock. "Using Sage ERP X3, we have increased our shipping capacity, reduced labor costs, and increased the accuracy of our shipments. That's success."

Business partner collaboration
Satellite Industries has successfully brought its business partners into its processing environment by establishing a self-service portal using Sage ERP X3. "Rather than printing a purchase order and sending it to one of our suppliers, our partners receive an automatic notification that a purchase order is waiting," explains Babcock. "They can then access it on their own, at their own convenience. It automates our workflow, ensures steps are not overlooked, and speeds the delivery of our purchase orders."

Similarly, customers can access the portal to create orders, view open invoices, check pricing, and make payments. "It is a highly efficient system that facilitates our ability to do a large volume of business with a very lean staff," says Babcock. "In fact, through the efficiencies made possible with Sage ERP X3, we've realized a double-digit increase in revenue without a corresponding increase in staff.

Global efficiencies drive business forward
Babcock notes that one of the benefits the company enjoys is the ability to effectively and efficiently operate in a global, mobile environment. "I can sit here at my desk in Minnesota and quote a customer in Germany and send off that quote in German with the amounts in euros. Even better—I can perform the same task, just as effectively, from my iPad at the coffee shop," he says. "Sage ERP X3 eliminates many of the hurdles of doing business internationally."

Multilanguage and multicurrency functionality is thoroughly integrated into Sage ERP X3, allowing Satellite Industries to run its international business more efficiently, with better global visibility, from the front office to the back office.

Actionable intelligence boosts cash flow
With multiple locations, divisions, and departments combined with a large chart of accounts, financial reporting had long been an arduous process for Satellite Industries. Like many companies, it used spreadsheets to create many of the consolidated reports

needed to gain insight into the health of its operations. "It was just too slow and too labor intensive," recalls Babcock. "We wanted quick access to real-time information, not information that was weeks old."

The company's Sage business partner introduced Babcock to Sage Enterprise Intelligence, a powerful business intelligence tool integrated with Sage ERP X3. The results have been nothing less than extraordinary.

Satellite Industries' month-end closing cycle has been shortened from nine days to just five days. "That means more days every month that we have current data to work with," says Babcock. "It means we're working with today's data—not last month's data—to make today's business decisions."

Another way Sage Enterprise Intelligence is delivering a powerful return on investment is through its use in tracking past due accounts. "The software automatically generates and distributes past-due reports each day to our sales and customer services reps," says Babcock. "As a result of our being able to stay on top of overdue invoices, we've decreased our days sales outstanding by 18 full days. Our cash flow is much improved as a result."

Babcock concludes, "We have access to the most current, most relevant data, enabling us to be proactive in our decision making. Sage Enterprise Intelligence provides instant, real-time data on key metrics that drive everyday business decision making."

About The Sage Group, plc
We provide small and medium-sized organizations with a range of easy-to-use, secure, and efficient business management software and services-from accounting and payroll to enterprise resource planning, customer relationship management, and payments. Our customers receive continuous advice and support through our global network of local experts to help them solve their business problems, giving them the confidence to achieve their business ambitions. Formed in 1981, Sage was floated on the London Stock Exchange in 1989 and entered the FTSE 100 in 1999. Sage has millions of customers and more than 12,700 employees in 24 countries covering the UK & Ireland, mainland Europe, North America, South Africa, Australia, Asia, and Brazil.

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