ArcherPoint

Customer success:
PECO Pallet takes charge of unprecedented growth with state of the art technology and operations

PECO Pallet, a North American leader in pallet rental services, has experienced impressive growth, not only because of the popularity of this invaluable service, but because the company does it very well—it is known for quality pallets, on time delivery and pick-up, and exceptional customer service. Customers have access to RED◇LINK, an online portal to make ordering more efficient, and PECO can also tie into customer ERP systems to fulfill pallet needs based on production schedules. Efforts to be the best have paid off: PECO has just completed its fifth year of 33 percent growth.

The Challenge

PECO had been using Microsoft Dynamics NAV for its operations, which served the business well for years. Dynamics NAV is used by more than 95,000 companies worldwide. However, with 150 depots across the United States and in Mexico and Canada and 8 million pallets in circulation, the company needed to ensure it was operating at peak efficiency to support projected growth.

"Tracking millions of pallets means that we record a tremendous amount of transactions. The software needs to be optimized, with a fast customer interface," said Ken Chazotte, Director of IT for PECO Pallet. "Orders are in real time, and we must know exactly what we have and where it is at all times. Timely analysis is critical to identifying potential issues to ensure pallets aren't lost and service and quality remain high."

The next step was to find a partner to help with the design and implementation of a new technology solution—an industry recognized provider of Dynamics NAV with a solid relationship with Microsoft and Dynamics NAV in particular.

Chazotte saw a presentation on Dynamics NAV 2009 given by Microsoft and ArcherPoint, a Microsoft Dynamics Partner that was the first to implement NAV 2009. Knowing Microsoft would "only share the stage with a partner with a good track record and solid people," PECO made contact with ArcherPoint at Microsoft Convergence and had the opportunity to meet some of ArcherPoint's customers. "It was nice to see existing customers willing to talk on behalf of a company," said Chazotte. "After meeting with Greg [Kaupp, CEO of ArcherPoint], we came to understand the depth of experience on the ArcherPoint team."

The Solution

In March 2011, PECO Pallet and ArcherPoint developed a new system from the ground up, using a "best of breed" approach. "Using 'best in class' software ensures PECO has a robust solution with little modification," said Chazotte.

Microsoft Dynamics NAV serves as the foundation. It is flexible and has great analysis capabilities. Due to the complexity of company's inventory management needs, the decision was made to develop RED◇LINK, a custom pallet tracking system built in .NET and SQL Server. RED◇LINK would integrate with Dynamics NAV and include an EDI system from Lanham Associates to interface with a Transportation Management System (TMS).

What's different about ArcherPoint?

Our clients see their business systems as unique and important to their competitive position. They prefer software and technology to support their business processes, not the other way around. Our clients are looking for a strategic partnership with the company that implements their software, not just a vendor. They demand the most talented, experienced professionals who understand how to quickly, efficiently solve their business issues. If this describes you, we invite you to contact us to learn more about our people, company and solutions.

Using the Dimensions and Resources functionality within Dynamics NAV, a custom sales pricing system was also developed to accommodate PECO's unique pricing structure.

"When we price a new account, we need to consider a number of factors, such as how many days the customer will have the pallets," said Chazotte. "This system was designed to enable us to analyze our business more accurately and consistently to get our pricing right."

PECO went live with the new system on January 1, 2012. The operation went very smoothly. "By the end of January, the systems were working together with some minor areas to smooth out, and by February, they were working together completely. When closing at the end of the first quarter went without a hitch, we knew we had it right."

The ArcherPoint team agreed that credit should also go to PECO's team. "Their pursuit of a solution to exceed their growth potential is worthy of admiration," said Project Manager Trish Maes. "Their team was extremely dedicated and always put in the time required to meet their aggressive timeline. They were a pleasure to work with."

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The Results

The results were astounding. Support costs were reduced by 75% and team productivity soared. One example: The purchase order system is now completely integrated, so only one purchase order needs to be created. This keeps the 150 facilities running smoothly.

The custom pricing system has also delivered impressive benefits. According to Chazotte, "With the ability to drill into the assumption behind our sales figures, we have gained insight that has made us more competitive and profitable."

As for the performance by ArcherPoint: "All facets of our relationship have been excellent," said Chazotte. "We have a knowledgeable partner who continues to provide valuable services as PECO expands into Mexico and Canada."

What's next for PECO Pallet? "We want to continually update our systems to remain state of the art and ahead of our competition, including enhancing PECO's pricing module to handle different product lines," said Chazotte.