CUSTOMER SUCCESS

Lifecycle Spins Speedy Profits With Sage MAS 500

"Retired IT assets are more like milk than wine—they don't improve with age. That's why time to disposition is critical for best value." That's how Gary DiRusso, president of Lifecycle Business Partners (LBP), summarizes his business, which recycles inactive, obsolete, and surplus electronics equipment on consignment. An in-house triage process determines which pieces can be sold as is, need repair, or should be scrapped. Profits are then split with consignors.

LBP's rapid growth and success with Fortune 500 customers lies in its unique business model. Other brokers try to purchase assets for the lowest price.

LBP maximizes the selling price through value-added services and established domestic and international sales channels. Consignors typically increase their return by 20 percent or more over purchases to resale brokers, and receive cash within 60 days of a shipment. In addition, they save on space, time, and labor resources.

Starting Out Smart
LBP's founders knew the importance of starting out with a sound business management system. As they evaluated various accounting software packages, one name kept rising to the top—Sage MAS 500 ERP.

"We ultimately selected Sage MAS 500 for its flexibility," says DiRusso. "Many of our customers require unique data in various formats. Sage MAS 500 lets us provide it. Now, we can always say yes to our customers—which gives us a strong competitive edge."

A System to Grow Into
LBP wanted a system that could be implemented quickly. They were pleasantly surprised when their reseller had them up and running in just 30 days.

Today Lifecycle uses Sage MAS 500 to manage all its business functions, from shipment receipts and reconciliation reports against the bill of lading to work order, sales order, and invoicing.

Customer:

Lifecycle Business Partners, LLC

Industry:

Asset management and recovery services for electronics equipment

Location:

Horsham, Pennsylvania

Number of Locations

One

Number of Employees

15

System:

Sage MAS 500

- Customizer
- eCustomer
- General Ledger
- Accounts Payable
- Accounts Receivable
- Cash Management
- Inventory Management
- Advanced Manufacturing
- Purchase Order
- Sales Order
- Engineering Change Management

CHALLENGE

To obtain an accounting system that has the power and intelligence to handle the complexities and extensive data manipulation demands of a recycling business.

SOLUTION

Sage MAS 500 financial, distribution and Advanced Manufacturing modules.

RESULTS

Up and running within 30 days; complete recycling management.; streamlined automation from A to Z; advanced data, audit, and reporting capabilities; room to grow.

The Advanced Manufacturing module automatically tracks all products and materials are tracked throughout the various operational steps and identified back to the consignor for final settlement purposes. When the products are sold, the Sales Order module generates a sales order and a pick list for the items to be shipped. When a shipment goes out, the system prepares a detailed invoice.

LBP manages both assembly and disassembly using the co-products and multiple parts functionality in the Advanced Manufacturing module. "We couldn't find any other system that could handle these requirements of our recycling operation. Sage MAS 500 supports these features out-of-the-box, which makes our lives easy," says DiRusso.

LBP generates a blanket PO for each client containing addresses, contact names, and numbers as well as information on contract terms, fees, and revenue splits. Sage MAS 500 then creates sequential purchase orders off the blanket PO as shipments are received, making it easy to uniquely identify each shipment and track all information back to the customer. Once the shipment is fully processed, the system generates a settlement report. This automated report contains all shipment information and calculates the financial results in a matter of seconds. This same calculation would take hours manually.

At the same time Sage MAS 500 calculates cost of goods sold and enters data to the general ledger, cutting down on manual entries and error. "I can quickly look at each shipment and determine our profit," explains DiRusso. He can also assess the value of each client account and verify that suitable fees are being charged.

"Sage MAS 500 gives us what our customers want—auditability," says DiRusso. "They trust us with valuable assets and want to see appropriate business controls in place. With Sage MAS 500 in place, we can give them the comfort level they need with the documentation that we're acting in their best interests. This—plus our value-added services and high returns ratio—has proved to be our greatest competitive advantage."

"With Sage MAS 500 we can always say yes to our customers instead of no—which gives us a strong competitive edge."

DiRusso says he likes the scalability of Sage MAS 500. "We're not stretching the system at all yet," he notes. "As Lifecycle matures, we'll grow into the system rather than out of it."

ABOUT SAGE SOFTWARE

Sage Software supports the needs, challenges, and dreams of more than 2.7 million small and midsized business customers in North America through easy-to-use, scalable, and customizable software and services. Our products help manage a complete range of business functions including: accounting, operations, customer relationship management, human resources, time tracking, merchant services and the specialized needs of the construction, distribution, healthcare, manufacturing, nonprofit, and real estate industries.

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