



Mahoney Software Styles An Effective Solution For Jon Renau

For more than 40 years, Jon Renau has led the industry as a top manufacturer and distributor of quality alternative hair products. The company's wigs, toupees, hair extensions, and accessories are distributed through beauty salons and wig stores in 19 countries. Jon Renau keeps its distribution operations in full swing with help from Mahoney Software and Sage MAS 200 ERP.



Jon Renau selected Mahoney Software to implement and support the new solution. "We liked Mahoney Software's team from the start," he continues. "They are creative, high-energy people who possess accounting expertise, information about best business practices, and a great deal of knowledge of the software."

Streamline Purchasing

To have the right amount of products to meet customer demand is the goal of every distributor. With its old software, Jon Renau had few tools to help it meet that goal. More than six days each month were consumed by analyzing the data the company did have, and creating purchase orders to meet the expected demand.

Due For An Update

The company's continuing growth had stretched the capabilities of its DacEasy accounting software to the limit. The sheer transaction volume overwhelmed the software and vital tasks such as purchase planning and credit card processing were burdensome manual tasks.

The company analyzed Microsoft Dynamics GP and Sage MAS 200 ERP before deciding on Sage MAS 200. "We had a specific feature set in mind, and Sage MAS 200 was clearly able to meet those requirements, plus it offered customization capabilities without the need for dedicated database administration that the Microsoft product seemed to require," explains Paul Reynolds, CEO of Jon Renau's EasiHair division.

Customer:

Jon Renau

Industry:

Hair & Beauty Products Distributor

Location

Vista, California

Number of Locations

Three

Number of Employees

100+

System

Sage MAS 200 ERP

CHALLENGE

Jon Renau had outgrown its entry-level accounting software. The large transaction volume overwhelmed the software and vital tasks such as purchase planning and credit card processing were performed manually.

SOLUTION

Mahoney Software Systems implemented an end-to-end distribution solution for Jon Renau based on Sage MAS 200 ERP.

RESULTS

Added capabilities and labor-saving efficiencies of the solution save the company in excess of \$100,000 a year.

“Mahoney Software continues to add value to our implementation. They instill confidence with their quick response time, straight talk, and problem solving capability.”

The company’s Sage MAS 200 solution has greatly streamlined the purchasing process. Now, using detailed sales history—by product, by period, and by customer—combined with up-to-date on-hand and on-order quantities, Jon Renau’s staff is able to make educated buying decisions based on accurate sales projections. As a result, the purchasing process occupies just six hours a month, representing an annual savings of over \$15,000 in staff salaries.

In addition to the labor savings, the company’s previous lack of forecasting tools often led to out of stock situations, which resulted in the loss of an average of 25 sales each week. With the improved forecasting and purchasing tools in Sage MAS 200, the company has cut that loss to fewer than 10 sales weekly, which adds up to an average annual savings of more than \$25,000.

Automated Credit Card Processing

Staff used to manually validate all credit card transactions at the end of the day. When a card was rejected the staff had to contact the customer again to verify the number and address the issue. “The whole process consumed a lot of time each day, plus a rejected card meant delays in shipping, ultimately affecting our cash flow,” explains Reynolds.

Mahoney Software implemented the Sage MAS 200 Credit Card module for Jon Renau, and the efficiencies gained are significant. The company is saving an average of 10 hours per week, for an annual estimated savings of more than \$10,000. Customers’ credit cards are stored in an encrypted format for security, and are automatically processed during order entry. What was a completely manual process is now automated and nearly error free.

Accurate Cost Data

Jon Renau works with overseas factories to produce its products. The company’s old software had no provision to handle the assorted shipping and handling costs that accrue as the products are shipped to Jon Renau’s warehouses. Sage MAS 200 includes robust landed cost capabilities that enable the company to allocate freight costs, brokerage fees, and trucking expenses to the cost of its products as they are received. “We now can recoup about \$60,000 a year in shipping charges,” says Reynolds.

“Mahoney Software continues to add value to our implementation. They instill confidence with their fast response time, straight talk, and expert problem solving capability.”



**MAHONEY
SOFTWARE**

6361 Yarrow Dr. Suite C
Carlsbad, CA 92001

(760) 334-5265

www.mahoneysoftware.com

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