



A. Fillinger Inc.

Sets More Competitive Pricing, Reduces Excess Inventory, and Exceeds Goals

Company Facts

- Location: Milwaukee, Wisconsin
- Industry: HWHC, LBM
- Number of Stores: 1
- Web site: www.afillinger.com

“Epicor Planner Series solutions are helping us exceed our goals. In the long run, they will make us a much more profitable company.”

Ryan Fillinger, Co-owner | A. Fillinger, Inc.

Fourth-generation owners provide custom millwork and cabinetry

A. Fillinger Inc. was founded in 1938 and has since remained in the Fillinger family. Fillinger’s manufactures and sells millwork goods, designs and creates custom cabinetry, and stocks over 25,000 hardware products. Though the company’s principles of self-expression, craftsmanship, and innovation have remained constant throughout the years, markets have changed, making it even more important for Fillinger’s to better anticipate and adapt to those changes. The Epicor® Eagle® system has been instrumental in helping the company stay competitive, as they rely on the system to streamline inventory management, set aggressive pricing, and keep a tight rein on the day-to-day operations.

Remaining competitive on pricing while meeting margin benchmarks

Fillinger’s has needed to remain competitive on pricing in the lumberyard-saturated area of Milwaukee. To that aim, they adopted new policies and programs with the assistance of Epicor Pricing Planner and its accompanying mobile app. “With the mobile app, I can walk the aisles of a competitor’s store, scan any item with my phone, and save their prices into our system,” said Ryan Fillinger, co-owner of A. Fillinger Inc. “I discovered that we were overpriced in a lot of categories. Using forecasting models with competitors’ pricing information, we adjusted the margins and prices for certain lines to be more competitive. We also run price elasticity analyses to see how our proposed price changes could affect sales before implementing any changes. Having the ability to make price changes and ensure we meet our margin benchmarks has been invaluable.”

Success Highlights

Challenges

- Setting competitive prices that preserve or increase margin
- Improving inventory management
- Increasing sales of complex millwork products

Solution

- Epicor Eagle
- Epicor Pricing Planner
- Epicor Inventory Planner
- Epicor Performance Manager

Benefits

- Increase sales volume by identifying and upselling complimentary items
- Price competitively while meeting margin goals
- Reduce quantities purchased and reduce Ace inventory by 25%
- Save 10-15% of the time required to adjust order points and use that time to drive revenue

Fillinger's is able to change prices more frequently and customers are taking notice. "For a long time, we were not considered the go-to-place for deals," said Ryan Fillinger. "Now we are offering better deals on a larger variety of products and are much more competitive. Customers view us differently and we are seeing increased sales as a result."

Saving on inventory costs

Fillinger's owners adopted new inventory strategies, aided by Epicor Inventory Planner. "In the past, we had a lot of inventory challenges, and never monitored inventory the way we should have been," said Ryan Fillinger. "Today, we both view inventory on a larger scale and analyze items in detail, which provides a perspective on inventory we simply didn't have previously."

"We more easily identify high-demand items and change the reorder point to better reflect that demand," said Ryan Fillinger. "We reduced our Ace inventory costs by 25%. We also reduced excess inventory and are much more efficient at how we use shelf space. We spend 10-15% less time adjusting order points and use that precious time to increase sales."

Increasing sales volume with the market basket feature

The owners of Fillinger's only had access to limited information to make decisions about the business prior to using Epicor Performance Manager. "Being able to quickly and easily evaluate the performance of our company has been tremendous," said Ryan Fillinger. "I love having pricing, margins, inventory, operating costs and more all reflected in easy to digest Performance Manager charts."

Fillinger's owners use the Market Basket feature to increase sales volume by analyzing items that customers purchase at the same time. "I like that I can see which items are frequently purchased with a specific product," said Ryan Fillinger. "I have been working with the store manager to put together discount packages so that if a customer buys a specific product, they can get the other three items at a discounted rate. It's helping us reach our sales volume goals. We have been using green bin tags to identify quantity discounts items for certain products. For example, if a customer buys ten cans

of red spray paint he receives a 15% discount on the purchase. This encourages customers to purchase additional units."

Now the owners analyze daily sales and views specific details with a few clicks. At their fingertips are easy-to-read bar charts, graphs, and tables. "I view sales by bank card, check, or cash, sales by department, and comparisons to last year or last month," said Ryan Fillinger. "The information is presented in a much more straightforward way. For example, sales data revealed that paint sundries have stronger sales than paint itself. We didn't have access to that kind of information previously. The software has allowed us to analyze our products at a deeper level, better understand the trends occurring in the company, and make changes that increase revenue and profitability."

Selling custom millwork is complex and requires education on sales strategies and product details. The co-owners better track sales performance of their employees with Performance Manager. "We didn't have a way of tracking sales by employee before," said Ryan Fillinger. "Now we're tracking an individual's sales and can provide immediate feedback. We have sales review meetings that educate the team on how to sell custom millwork and add-ons, and encouraged them to reach their sales goals. It has improved performance and morale."

Fillinger's owners have been seeing solutions to the challenges they have faced in pricing more competitively, analyzing inventory, improving employee sales, and more. "Epicor Planner Series solutions are helping us exceed our goals," said Ryan Fillinger. "In the long run, they will make us a much more profitable company."

About Epicor

Epicor Software Corporation is a global leader delivering business software solutions to the manufacturing, distribution, retail, and service industries. With more than 40 years of experience, Epicor has more than 20,000 customers in over 150 countries. Epicor solutions enable companies to drive increased efficiency and improve profitability. With a history of innovation, industry expertise and passion for excellence, Epicor inspires customers to build lasting competitive advantage. Epicor provides the single point of accountability that local, regional, and global businesses demand. For more information, visit www.epicor.com.

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