Array Software Produces Big Pricing Advantages for DH Supply

*David Hicks, Vice President,
DH Supply*

With almost $65 million in sales and a 50% growth rate projected for 1999, DH Supply Company in Doraville, Georgia is experiencing corporate success of Olympic magnitude. Just three years ago, as all eyes were focused on neighboring Atlanta during the centennial Summer Games, David Hicks,vice president of DH Supply, set his sights on revamping company operations,preparing for the new century and the competitive challenges to come. Trained as an accountant, Hicks acquired Array software to help run every aspect of the flourishing distributorship.

A decade earlier Hicks'father, David Sr.,started DH Supply on a $300 profit gained from a "widget" he sold out of the trunk of the family car. Revenues for the company bearing their initials have since increased tremendously, far exceeding even the growth rate of the booming Atlanta-area economy. Maintaining this Olympian pace required an accurate and timely management information system.

Array has provided a very efficient solution. The software has enabled the company to completely automate all of its purchasing and inventory control processes,and it provides a comprehensive framework for the company's overall pricing structure.

Competing In a Crowded Arena

The Array Automatic Pricing System allows DH Supply to effectively price the entire breadth of its inventory, strengthening its competitiveness. The package integrates seamlessly with the sales order entry application,providing consistent customer pricing and gross margins across the organization. This standardization is a key benefit.

"First of all, we wanted to standardize our pricing so that the customers always get the same price,

no matter which salesperson they talk to, no matter which day of the week," says Hicks. "We also wanted to maximize our profitability with as little impact as possible on the customer."

Hicks notes that a price structure must be established that provides a financial return in line with management philosophies. "Customers are concerned about those items that they buy day in and day out and you have to remain very competitive," he says. "You also have to take your management information and yield the proper margin with those products that don't turn as quickly."

Turning On a Dime

Competitor actions and market forces greatly influence the prices a company can set for its products. With Array, product and price database information can be tailored to address these varying market conditions immediately, without costly reprogramming. Pricing consistency can be achieved throughout the organization because product and price information automatically interacts with key software applications.

"The pricing module within the Array system is one that really allows the flexibility to customize pricing in any given market for any given customer," says Hicks. "In addition, we get better and faster information about our own performance, so in turn, we can better serve our customers. That yields bottom line profit."

Array is a total information technology solution for the wholesale distribution industry from Trade Service Systems. With over 30 years of distribution and IT experience, Trade Service Systems helps you take your business from the Warehouse to the Web. Trade Service Systems' solutions allow you to professionally manage every aspect of your business by tracking and managing costs,putting in place a strategic pricing plan, taking control of your inventory and calculating the value of your customers. Turn your business data into valuable information and make informed,strategic management decisions that resulting in a better bottom line. In addition to the best software solution for distributors, TSS offers an ongoing partnership to help distributors grow, compete and succeed. Contact TSS to discuss a solution that's right for your business.

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