

IMPERIAL DADE

CLIENT SUCCESS STORY | Nucleus Research | Analysts: Seth Lippincott, Rebecca Wettemann

The Bottom Line

Imperial Dade was purchased by CEO Robert Tillis in 2007. Since its purchase, Imperial Dade has made a series of acquisitions including Borda Products, Center Moriches Paper, Burke Supply, Wasserman Bag, and Goldman Paper Company. These acquisitions have helped Imperial Dade become a fast-growing leader in its market. To accommodate its continued growth, Imperial Dade has three distribution centers along the eastern seaboard in North Carolina, Massachusetts, and New Jersey. In June 2012, Imperial Dade was named to Crain's New York "Fast 50".

The Challenge

Since 2007, Imperial Dade has acquired six companies and has three distribution centers, requiring it to manage its operations from its headquarters in Jersey City, New Jersey. The acquisitions left Imperial Dade with multiple software systems and no central view or control

point. Imperial Dade required an enterprise resource planning (ERP) solution that could give it a comprehensive view of its operations that was also affordable and scalable.

Cost: Benefit Ratio 1:2

The Strategy

Imperial began its due diligence in March of 2012. The decision to utilize S2K Enterprise was made in May of 2012 with the assistance of outside consulting. Imperial evaluated several options and ultimately selected VAI for a number of reasons including:

- Imperial determined that S2K ERP was compatible with its existing infrastructure and equipment.
- S2K ERP could enable Imperial to consolidate all systems onto a single platform and access data in real time.
- S2K ERP has a reliable reputation and could provide the flexibility needed for Imperial's continued growth.

Imperial began deployment and went live in May 2013. Imperial trained its employees over an eight-week period, with the average user requiring eight hours of total training. VAI provided the trainers to help Imperial employees learn the system, which were broken into small groups for each training session.

Key Benefit Areas

Deploying S2K ERP has enabled Imperial to achieve a number of benefits including:

- Integration in real-time of all applications.
- Consolidated staff from multiple sites reducing overlap and personnel costs.
- Improved delivery times and efficiency.
- The application provides Imperial with a trackable audit trail and provides information for more efficient deployment of staff.
- Reduced transportation expenses, warehouse carry costs, and the frequency of



inventory transfers.

- Increased efficiency in accounting, requiring fewer personnel to manage Imperial's accounts.
- Increased flexibility, increased visibility and support for continued growth.

Key Cost Areas

The costs for the project consisted of consulting fees, initial hardware expenses, ongoing hardware maintenance, annual software license maintenance, and personnel time to implement and support the application. Imperial Dade also incurred costs for training its employees through both trainers' fees and employee time.

Best Practices

The deployment of VAI S2K

Enterprise has enabled Imperial to consolidate several systems onto a single, real-time platform. The flexibility and adaptability of S2K ERP has provided the base necessary for continued organic and acquisition growth of the company.

Pre-deployment and ongoing professional consulting have ensured Imperial employees are effectively trained and make efficient use of the enterprise planning platform. This enables Imperial to better serve its clients while making the process more efficient and timely.

Calculating the ROI

Nucleus quantified the initial and ongoing costs of consulting, hardware, software, software license subscription fees,

personnel time to implement and support the application, and employee training time to calculate Imperial's total investment in S2K ERP over a 3-year period.

Direct and indirect benefits were also quantified over a 3-year period. Direct benefits quantified were the avoidance of additional warehouse staff, reduced in-house accounting personnel, transportation cost savings, reduced inventory carrying costs, and elimination of duplicative services. Indirect benefits quantified included the increased employee productivity driven by the deployment and were calculated based on the average annual fully loaded cost of employees using a correction factor to account for the inefficient transfer of time.

