

CLIENT CASE STUDY



Vital Project Statistics

Company:

National Micro Rentals (NMR)
28 Abeel Road
Monroe Township, NJ 08831
800.637.2496
www.nmrrentals.com

Contact:

Anthony Meduri
CFO & COO

Revenue: \$25 Million

Employees: 123

Year Established: 1983

Locations: 7

Markets: All of the Continental US

Industries Served:

Computer equipment rentals
Trade Shows and exhibitions
Industry and sporting events
Corporate events

Operational Statistics:

Inventoried products : 10,000+
Customers: 43,390
Sales orders: 1,000/month
Line items shipped: 10,000/month
Vendors: 1,800
Purchase orders: 1,650/month
Warehouse size: 87,000 SQFT
Truck Fleet: 25
System Users: 36

System Cost (2001):

Software & Services: \$500,000

Time to Implement: 6 months

System Value to NMR: Priceless

Application Areas:

General Ledger
Fixed Assets
Accounts Payable
Accounts Receivable
Inventory
Sales Order
Purchase Order
Sales Analysis
Crystal Reports
Bar Coding
Customer Relationship Management
RMI Rental Advantage



BACKGROUND

Established in 1983, National Micro Rental (NMR) provides short and long term equipment rentals of computer and audio-visual equipment for trade shows, exhibitions, industry, corporate and sporting events. Starting with one location that serviced the New York/New Jersey region and yielded \$2 million in revenue, NMR has grown into a thriving \$25 million corporation with seven locations serving all of the Continental United States. NMR rents more than 10,000 inventory assets, which includes computers, flat panel and large format plasma displays, back-up devices, projection equipment and audio-visual sound systems, and are delivered to their clients using a fleet of twenty-five company-owned trucks and commercial carriers. With warehouse space totaling 87,000 square feet, all equipment is serviced and maintained by the NMR technical teams, who provide around-the-clock customer support.

Anthony Meduri, CFO and COO, attributes the growth and success of NMR to three critical elements. First, NMR's proactive sales effort combines the extensive knowledge of 19 sales engineers with a state-of-the-art customer relationship management (CRM) system. "We are the official suppliers of computer and audio-visual equipment to more than 250 trade shows nationwide," says Mr. Meduri. "We are proactive at contacting all of our current and potential clients through a combination of mailings, fax, email blasts and personal follow-up. All of these contacts are initiated and controlled with our CRM system, providing NMR with a significant competitive edge. The second element of NMR's success is attributed to our efficient operations," states Meduri. "Using our computerized reservation system, RMI Rental ADVANTAGE, our sales engineers are able to 'see' where all of our equipment resides and when it will be available for the next booking. This creates huge efficiencies while allowing our local warehouse personnel to focus on the customer instead of where and when assets will be available. The third element of our success is pure customer service," Meduri explains. "We always go beyond the call of duty to assure happy clients."

From 1983 to 1991, NMR ran its business operation using three disparate software systems:

- a homegrown dBase/FoxPro system to manage inventory assets, customer orders, and daily operation
- SBT, an off-the-shelf software package to handle accounting
- ACT, a contact manager with 19 separate databases, to track customers and prospects and solicit new business.

"None of the systems were integrated," recalls Meduri, "and maintaining all of the data was a nightmare."

THE CHALLENGE

By 1990, NMR experienced dramatic growth, putting a serious strain on the existing software systems, which had many functional holes, and were slow and unreliable. The inefficiencies included: redundant data entry, data errors and limited integration between accounting, operations, sales and marketing. “With more than 10,000 assets, 43,000 customers, 149,000 prospects and 70 NMR system users, we simply outgrew our current system,” says Meduri. NMR required a new system with complete integration that could operate flawlessly twenty-four hours a day, seven days a week. Explains Meduri: “Our systems are the nervous system of our business. Without a new system our labor costs would increase while our business growth could not continue.” As such, the NMR Executive Team made the decision to invest in a new technology solution.

THE SOLUTION

NMR understood the unique needs and special functionality required by the equipment rental business. John Saldutti, Director of Operations, was assigned the responsibility of locating packaged software solutions for evaluation. After assessing several of these, Saldutti and the NMR team concluded they would need to develop a customized solution. “No one solution we evaluated did the whole job,” says Saldutti. “Some focused on operations but had no or limited integration with accounting, while others couldn't handle our sales and marketing requirements.” “It was really frustrating,” adds Meduri. Though NMR estimated it would cost about \$1 million to develop a customized solution, Saldutti decided to give it one last try and searched the Internet for equipment rental solutions. His research uncovered Rental ADVANTAGE from RMI in Avon, Connecticut. Says Saldutti: “The solution sounded too good to be true.”

RMI was brought in to discuss and demonstrate its solution. “The RMI people were very knowledgeable,” shares Meduri. “They were not only experts in their software, but demonstrated their knowledge and expertise in our business and industry requirements. We really grilled them,” recalls Meduri, “and they came through in flying colors.” After several discussions and demonstrations, NMR decided to move forward with the RMI solution.

THE IMPLEMENTATION

A two-phase rollout was planned for the project: Phase I was the application of the accounting system, while Phase II completed the project by implementing the reservation and operations side of the business. The project started and finished on schedule, and included a smooth conversion of data from the previous system. Some data was cleaned up and entered manually, while the large volumes of data were electronically converted and uploaded. The entire process, including training, lasted six months, and NMR was extremely pleased with the results.

NMR required a solution that would precisely mirror their business process. To achieve this result, RMI customized the Rental ADVANTAGE solution to meet the exact needs of NMR. Enhancements were crafted for sales commission reporting, bar-coding and scanning,

and a variety of special reports. “The end result was a finely tuned and crafted solution that streamlines our entire business,” says Meduri. “We couldn't be more delighted with the solution or the outstanding support we receive from the RMI team.”

THE BENEFITS

“The return on investment of RMI Advantage in terms of real dollars is difficult to quantify”, says Meduri. “I can tell you, however, we could not operate our business without it.” Several areas of tangible benefits include:

► **Revenue Generation** – The integrated CRM module drives top line revenue by providing a centralized location for all NMR employees to access their 149,000 customers and prospects. Detailed notes and special requirements enable prompt and effective communication. Email, fax and 'snail mail' are generated from the CRM module to proactively solicit and close business, and call-backs and follow-ups are scheduled for the sales team. All of the customers' event and equipment rental history are available with the push of a button, enabling quick and intelligent dialogue with clients. The system's functionality and logic drives additional revenue through cross and up-selling opportunities. This is all accomplished with one centralized and integrated system serving marketing, sales, operations and accounting.

► **Increased Productivity** – NMR is able to grow with only marginal increases in operations staff. The automated reservation system clearly shows where each and every NMR asset resides and when it is available for its next booking. As such, NMR staff no longer has to search the warehouse trying to locate assets. The staff now focuses on meeting and exceeding their customers' requirements and expectations.

► **Reduction of Errors** - By using the RMI ADVANTAGE bar-coding functions, NMR has dramatically decreased the number of shipping and pick-up errors. Each asset prepared for delivery is scanned, assigned an asset tag and automatically compared with the sales order to ensure accurate shipping. Prior to pick-up, the system generates a document to inform the pick-up team of each asset they are expected to retrieve, thus eliminating forgotten items such as cable, mice, keyboards and the like.

► **Return On Assets** – Using tools and data collected within RMI ADVANTAGE, NMR can see cost, revenue, payback period and return on each asset and asset category. This information is extremely valuable in aiding NMR in the decision-making process to either acquire new assets or cross-rent based upon customer demands.

► **Accurate Fixed Asset Depreciation** – Calculating and maintaining depreciation on 10,000 fixed assets used to be a nightmare. Now, for the first time, NMR gets timely and accurate depreciation schedules.

► **Timely Financial Statements** – It used to take NMR over two weeks of effort to obtain financials. Now, accurate financials are generated within 24 hours of the close of the month.

► **Outside Accounting Services** – At year-end NMR has reduced by two weeks the time required by their outside accounting firm.



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