With Acumatica Powering Its Backoffice, Sunshine Lighting Faces More Efficient and Brighter Future

SUNSHINE® LIGHTING

OVERVIEW

Sunshine Lighting operated on disconnected spreadsheets, a legacy system that often crashed, and manual processes that all hindered its ability to grow. When an aging platform shut down operations for a day, executives knew they needed more modern technology. Sunshine Lighting adopted Acumatica Distribution Edition, which provided a flexible cloud-based ERP platform that streamlined operations, automated manual processes, and allowed its developers to create customized workflows that seamlessly connect to the platform.

KEY RESULTS

- United disparate systems into a single, connected, and modern ERP platform
- Shaved $200,000 from annual technology budget by moving to the cloud while reducing IT footprint and outsourcing IT
- Improved data accuracy, restoring faith in the information while reducing stress and frustration
- Gained peace of mind and restful sleep knowing system doesn't crash and daily operations won't be disrupted
- Acquired real-time data for reporting, resulting in better and more analytical-based decisions
- Gained flexible platform with open APIs, allowing technical team to create apps and processes specifically related to its business
- Automated manual business processes, freeing employees for higher-level tasks
- Acquired easy-to-use business solution, speeding user adoption and increasing productivity
- Gained cloud-based, mobile platform increasing productivity with smartphones and remote devices on-site and from remote locations
- Acquired data visibility that allows employees to solve problems and implement new processes to grow revenue
- Increased inventory accuracy from 40 percent to 90 percent or higher accuracy levels
- Cut 50 percent of time it previously took for KPI reporting and month-end closes

CHALLENGES

Sunshine Lighting develops and manufactures lighting technologies under its brands, which include Sunlite®, MKS, and Ambiate. It distributes other significant brands.

The 43-year-old company prides itself on offering the most tech-advanced lighting solutions and constantly strives to be as operationally efficient as possible.

It operates in a 100,000-square-foot brick facility in Brooklyn, NY that once housed multiple businesses and is highly compartmentalized. While the firm initially sold to the tri-state area, it now sells its products nationwide.

Legacy System with Disconnected Spreadsheets

Sunshine Lighting operated on a legacy system augmented by spreadsheets. Over the years, its original business software system was sold multiple times, and development stagnated. Process modules were non-existent so Sunshine Lighting developers created their own work-arounds.

"It was probably a great program in the year 2000, but when we reached 2020, we couldn't get anywhere with it," says Yisroel Hartman, Chief Operating Officer and full stack developer. Adds Vice President Joel Gross, "Instead of being able to grow on that platform and grow with the times as technology became more available, it really hindered our processes and ability to grow. The core was extremely weak."

"There was no mobility, no email system and no website to tie it too," says Yisroel Hartman. "We were stuck to a Windows application that we had to build a lot of Band-aids around to try to improve it."

Sunshine Lighting had a separate system that handled the company's email processing and print processes, which often failed. Employees had their spreadsheets, and thus their sources of truth since they couldn't put information into the legacy ERP.

Company
Sunshine Lighting
www.sunshinelighting.com

Industry
Wholesale Distribution and Manufacturer of Lighting Products, including its own brands

Number of Employees
Approx. 65 full time employees

Location
Brooklyn, NY

Products
Acumatica Distribution Edition with:

- Financials
- Inventory Control
- Order Management
- Monitoring and Automation
- CRM with Case Management
- Customer Self Service Portal
- Consolidation
- Shipping Carrier Integration

Customer Social Sharing Details

in www.linkedin.com/company/sunshinelighting

Partner Details

APPSOLUTE

Appsolute Consulting
https://appsolute.com

The website was built on an SQL database. The company used Starship for shipping, but printing and labels were handled manually. The company's warehouse management system was homebrewed. Even its EDI was standalone.

The company's multiple, cobbled-together systems worked for a while but became challenging as the company grew. For example, "once an order was placed, it wasn't locked for shipping, and changes used to happen," says Gross. "Nobody had an idea from sales to shipping to logistics if something was changed. It was a total mess."

Manual Processes

Because many of the processes were paper-based and printed, if someone updated an order, he or she had to run down to the printer in one of its four shipping departments to ensure the first paper wasn't accidentally picked and shipped. Sometimes, "The paper got lost," says Yisroel Hartman. "The order never got sent and nobody knew about it. It was a fun time."

With information stored on disconnect spreadsheets, it was challenging to pull together reports. "It was very hard to get reporting on customer and information to understand where orders were, why things were delayed, or where items were in production," says Yisroel Hartman. "Reporting was a real pain and challenging. Achieving clarity in our reports required significant effort"

Sunshine Lighting used on-premise servers to house the data and the infrastructure to support the legacy ERP had its own set of challenges.

"The straw on the camel's back came when we knew that a simple thing as a license registration can put us out of business," says Gross. "We knew we needed to change and that's when we started looking for new software seriously."

SOLUTION

Acumatica Distribution Edition

The selection team wanted a modern system connecting with its custom processes, offering better reporting, and providing operational efficiencies. They reviewed SAP Business One, Sage, and a cloud version of Infor. As they narrowed their choices, Sunshine Lighting discovered Acumatica Cloud ERP, which offered a unique licensing model and a flexible, open development platform.

Yisroel Hartman and Schneur Perl, Senior Technical Project Manager and head of business development "were very excited about Acumatica," says Gross. "They wanted to take a look under the hood, and that's why they weren't impressed by anything else."

"Bruce Baron of Appsolute Consulting gave us a demo that was something no one else offered," adds Yisroel Hartman. "We started playing with it and learned it was a modern framework that could be customized."

Executives also liked that Acumatica didn't charge by the number of users, which makes it more affordable than competitors that do charge by the number of users and thus are "a lot more expensive," Yisroel Hartman says.

Revamped, Streamlined Processes

Before its implementation, Sunshine Lighting re-examined its processes. "Once we started really diving into Acumatica, it allowed us to explore and revamp a lot of areas in our business," says Gross. "Between Yisroel and Schneur, they went through everything on paper. We revisited every process and tweaked them up to a point where it allowed us to reduce quite a bit of employees' manual work."

The reexamination also allowed the company to eliminate the majority of its outside IT support, which reduced its technology budget.

Appsolute Consulting helped Sunshine Lighting deploy Acumatica. Although the team put in some long days, "we stayed open throughout the implementation, and going live," says Yisroel Hartman. "We didn't close down trucks; they went out every single day and we hit our first targets."

"From a system perspective, I would say implementation was very smooth," he adds.

SUNSHINE® **LIGHTING**

> " *Acumatica gave us a heart to our business. Now if we need to do something, we learn how the system can do it and do it, which has changed our culture.* "
>
> – Schneur Perl,
> Senior Technical Project Manager and
> Business Development Manager,
> Sunshine Lighting

BENEFITS

Streamlined Operations Saving Time

With Acumatica, Sunshine Lighting executives manage the company more efficiently. The platform connected disparate systems, brought operational and financial data together, and allowed the company to automate workflows based on how they do business. Employees now work with data that is accurate and accessible from anywhere.

Acumatica's automation eliminated much of the extra manual work employees did, eliminating a significant amount of daily overtime, and allowing employees to spend more time with their families.

Acumatica's flexibility helped Sunshine Lighting better manage its core business processes, including inventory management, financials, sales, and production planning.

Reduced Technology Overhead

Although having a cloud-based system wasn't a high priority, access from anywhere and not having to worry about system crashes lowered employees' frustration.

"Our IT footprint was reduced tremendously because we eliminated many on-site servers and the supporting network infrastructure," adds Perl. "That's a huge benefit. And I can sleep at night because I don't have to think about the on-prem overhead."

"We've probably saved more than $200,000 a year," says Jacob Hartman, Chief Financial Officer, adding that number includes licensing, servers, and other support costs.

Proactive Cultural Shift

Employees no longer complain about legacy technology or use it as an excuse. "The bottlenecks aren't there anymore, so we're not thinking about it," says Perl. "Acumatica gave us a heart in our business. Now if we need to do something, we can learn how the system can do it and then do it. That's been a huge benefit and change in our culture."

Adds Yisroel Hartman, "With Acumatica, we have the ability to take a problem and solve it, and take another problem and solve it, and then just keep solving problems as we grow and grow."

With a better understanding of Acumatica's robust features, employees took ownership of their roles and are working with the executive and technical teams to streamline their tasks in Acumatica. "They are saying, 'Okay, I want a dashboard for this, or a report on these KPIs.' They are coming up with ideas of how to accomplish more," Yisroel Hartman says.

"These are things that are users would never have had in the old system. They never had the ability to even imagine a way to make their lives easier."

Adds Gross, "We've found ourselves in a place where we can be proactive versus reactive."

Easy to Use, Onboard Users

It helps, says Gross, that Acumatica is easy to learn, which played a large factor in their decision to buy it. "When we were considering SAP Business One and others, we knew that training on those systems usually takes weeks if not months to onboard," he says. "But with Acumatica, onboarding new users is as easy as cake. It's very simple and straightforward. And the help is amazing."

Onboarding new employees takes a mere three days or less, helping them be productive as soon as they join the company, adds Jacob Hartman. "With our old system, it used to take three to six months until the person understood exactly where all the hidden keys and hidden keywords were."

Increased Financial Visibility

Automating manual processes in the finance department saved a lot of time and has allowed employees to use their recouped time more efficiently. For example, Gross says, billing took a week and was one person's full-time job. Now that job is automated, and that person has shifted focus to other financial tasks.

Sunshine Lighting has shaved days off the time it takes to close a month, and running reports "is like a breeze," says Jacob Hartman, explaining he had two choices if he wanted to create a financial report: he could ask the development team to pull the data and create one for him, a process that could take a month, or he could try to pull five different reports, and hope the information matched, a process that used to take him three weeks. Either way, the information was old and dated.

> *Acumatica is an easy-to-use tool that gives us the flexibility to do business our way.*
>
> – Schneur Perl,
> Senior Technical Project Manager and Business Development Manager,
> Sunshine Lighting

Now he has personalized dashboards that allow him to pull real-time data in minutes, which gives him instant visibility into how the business is performing.

"When I ran or when I looked at the financials on our old system, I wasn't confident that everything was there or accurate," he says. "With Acumatica, I'm very confident with what I see."

Increased Inventory Accuracy

Previously, inventory counts and reconciliations were time consuming, manual and often inaccurate. The stock-on-hand was physically located in a number of different rooms and areas. Counts often resulted in errors, often when someone forgot that a pallet of goods could be in another room.

Inventory in the old system "was 50 percent accurate and what we had in the warehouse, and that was probably charitable," says Yisroel Hartman. That's because of the way one had to transfer items from bin to bin. The company had a primary bin and another for overflow. But the system did not actually keep track of what was in each bin, he says. "Things were out of whack very quickly. Today, we're probably above 90% accurate."

Perl oversaw the company's EDI efforts and backorders. He previously had to ask the warehouse to verify they had the needed parts for back orders. It sometimes took two days for a reply, he says. "But now I can look it up myself. The system counts it, and the warehouse team is confident they don't need to verify the number with a physical count."

More Efficient Warehouse Management

The warehouse manager previously physically checked inventory for some 30 requests daily. Now, he may field two or three calls a week. The manager is no longer tied to his desk. "Now he's walking around with an iPad or while traveling, viewing orders, approving orders, or releasing orders," says Yisroel Hartman. "We could never do that in the old system."

Warehouse employees used handheld scanners that crashed if a pick list was too long; an incident previously would mean restarting because information was stored on the scanner and lost.

Now, shipping labels are automatically printed, and changes can quickly be made within Acumatica; no running is required.

Flexible Open Platform

Because Acumatica doesn't force companies to do business "Acumatica's Way," it has an open API and encourages third-party developers, partners, and customers to create necessary processes and applications. Developers are free to use Acumatica University and tap into a large developer community willing to help anyone with questions. Most of its ERP competitors lock data and force companies to do business their way rigidly.

Sunshine Lighting developers Yisroel Hartman and Schneur Perl leveraged Acumatica's open APIs and import scenarios to create many enhancements around truck routing, shipping, and kit processing. They also became part of the Acumatica development community, earning recognition as Acumatica MVPs.

Growth

With Acumatica up and running and refinements underway, Sunshine Lighting is redefining its growth strategy. They are considering building a new, taller 150,000 square-foot warehouse that will allow them to consolidate inventory locations and shipping stations. The company has some 20,000 SKUs.

"Our cubic feet and utilization will triple that of our old-school Brooklyn building where we don't have the height, and will consolidate operations now spread in 10 different buildings," says Perl. Adds Gross, "If you wanted to pick an order, you would have to travel through a true maze from building 1 to building 2 to building 3 to building 4, and so on."

Having a solid, flexible platform in Acumatica gives Sunshine Lighting confidence in its numbers, and the confidence to accelerate its growth plan. The team regularly recommends Acumatica to their peers.

"Our success has come because we really care about our business and know it so well," says Perl. "Acumatica is an easy-to-use tool that gives us the flexibility to do business our way."