

# Recycled Plastic Furniture Maker POLYWOOD Streamlines Operations with Acumatica ERP, Fueling Rapid Growth

## OVERVIEW

New private investors helped recycled plastic furniture maker POLYWOOD pump more than \$100 million into new facilities in the past seven years, which doubled its furniture and recycle plastic plant capacities. When the pandemic hit, a 10-fold increase in transactions illuminated the many flaws of its back-office legacy systems. POLYWOOD deployed Acumatica Enterprise Manufacturing Edition, gaining real-time data visibility and operational efficiencies that allowed the company to scale effortlessly.

## KEY RESULTS

- Gained a real-time, flexible ERP platform, streamlining operations and eliminating batch-processing
- Acquired a reliable platform that scales effortlessly as transactions soar
- Connected custom-made manufacturing execution system via flexible platform with open API
- Closed books faster by three days while gaining real-time data visibility
- Eliminated challenges that required office staff to help warehouse staff ship product
- Improved employee productivity with automated processes while eliminating printing of Excel files
- Streamlined online order processing
- Improved shipping times increasing customer satisfaction
- United siloed applications, creating a single source of data and visibility across the company

## CHALLENGES

Recycled plastics furniture maker POLYWOOD has grown an astonishing forty-fold in the past decade because consumers turning their backyards into outdoor entertaining oases needed durable outdoor furniture for their living-room-like patios, decks, and outdoor kitchens.

Consumers like that POLYWOOD makes its sustainable furniture from recycled milk jugs and detergent bottles, among other recycled plastics, that withstand all weather conditions. The Syracuse, Indiana-based company has on-site recycling facilities that recycle an average of 400,000 milk jugs per day.

POLYWOOD's sustainability story, however, is much more than post-consumer recycling. The company has adopted lean manufacturing and sustainability goals that include a closed loop process where all the plastic that comes into its facilities leaves as a piece of furniture. Even its manufacturing floor scraps and shavings are put back through its system as part of its goal of zero waste.

For most of the manufacturing company's 34-year history, POLYWOOD distributed its sustainable Adirondack chairs, tables and other furniture through brick and mortar retailers including Target and Home Depot, and online sellers including Amazon and Wayfair. It wasn't until 2018 that the manufacturer added direct-to-consumer sales in a move to increase its brand awareness.

Like other outdoor brands, POLYWOOD saw a huge spike in business when the pandemic hit, a spike that hasn't subsided.

"When lockdowns first started, we didn't know what to expect so we kept our Earth Day sale on," says Sean Valencourt, Executive Vice President of Information Systems. "Consumers really surprised us. We sold three months-worth of capacity in a single weekend."

While private investor-backed POLYWOOD spent more than \$100 million to expand its state-of-the-art manufacturing facilities, an investment that included adding a second location in Roxboro, North Carolina in 2019, its back office technology was sorely in need of an upgrade.

The flurry of pandemic business strained the company's fraying use of a legacy ERP, which it used solely for finances, and its largely cobbled-together patchwork of applications running all other aspects of its business. "It accelerated our timeline to need an ERP," says Valencourt.

## POLYWOOD®

### Company

POLYWOOD  
[www.polywood.com](http://www.polywood.com)

### Industry

Manufacturing: Sustainable Outdoor Furniture made from recycled plastic

### Number of Employees

Approx. 1,600 full time employees

### Location


Syracuse, Indiana and  
Roxboro, North Carolina


### Products


Acumatica Enterprise Manufacturing Edition with:


- Financials
- Multiple Currencies
- Intercompany Accounting
- Inventory Control
- Order Management
- Warehouse Management
- Project Accounting
- MRP
- CRM


### Customer Social Sharing Details

 [www.facebook.com/polywoodoutdoor](http://www.facebook.com/polywoodoutdoor)

 [www.instagram.com/polywood](http://www.instagram.com/polywood)

 [www.youtube.com/polywood](http://www.youtube.com/polywood)

 [www.linkedin.com/company/polywoodllc](http://www.linkedin.com/company/polywoodllc)

 [www.pinterest.com/polywood](http://www.pinterest.com/polywood)

### Partner Details



Martin and Associates  
<https://martinandassoc.com>

## Paper-processes hindered growth

POLYWOOD had been running its prior ERP alongside manual and paper-based systems since 2010, when the legacy ERP was deployed. At that time, the company had 100 employees and sales were more than \$10 million. It was selling through retailers using a hybrid production model that consisted of stocking high movers like its Classic Adirondack chairs, and building everything else made-to-order. While its Classic Adirondack chairs are its best seller, POLYWOOD now boasts some 15,000 SKUs that include dining, lounging, benches and swings, among other furniture.

“The problems we were having at that time were getting orders built and shipped on time, and knowing where product was,” says Valencourt, adding “the warehouse management system was entirely managed in the memories one or two employees. If they couldn’t find it, no one could.”

“Scheduling was being done in an Excel spreadsheet and then printed out,” he continues, “if something needed to be expedited, you updated an Excel spreadsheet and printed it out again. Sometimes salespeople would run out into the manufacturing area waving a printed paper order asking, ‘when can I get this built? It’s two months late and my customer’s mad at me.’”

Production was also paper-based. Employees wrote down what they built and then the information needed to be walked across the street to be entered into the prior ERP. “If one of those papers fell on the ground, it never made it into the ERP, which meant it never became available inventory, which meant it never shipped.”

Not only weren’t orders getting shipped on time, but the legacy ERP started to crash as the company grew. “We were running into user limits, and it was crashing every time the 80th user would connect,” Valencourt says.

## Custom App Solves Some, Not all Issues

Rather than replacing the prior ERP at that time, POLYWOOD created a custom-built manufacturing execution system that operated like a shop floor application to manage scheduling, warehouse management, and inventory at the serial number level. “It solved some of our paper problems and we knew where everything was when it needed to ship,” he says.

But it didn’t solve other problems, particularly one where online sales orders weren’t being processed properly between Magento and the legacy ERP.

“We would have sales orders that would come in and only the lines would get written, not the header, which basically meant the sales order was halfway into the prior ERP but never got built or shipped,” Valencourt says.

As the company scaled dramatically, more people were needed to assist the system. “From the low part of our year to the peak part of our year we grow 10 times,” says Valencourt. “There were lots of people who were doing manual work and 80-hour weeks during peak season to make that machine run.”

Adds Michael Leedy, Manager of ERP Systems, “We had all hands on deck, with people from all areas going to help ship packages. It was a full team effort.” Processing more than 3,000 orders a day had become problematic.

By 2020 POLYWOOD had grown to become an enterprise-level company. It had added a second facility in North Carolina in 2019 that doubled its manufacturing and recycling capacity to more than 2 million square-feet, and increased employment to more than 1,600. The company clearly needed a new business platform, and to eliminate its legacy processes.

## SOLUTION

### Affordable, Flexible Cloud Platform

Executives wanted a modern, flexible system with an open API so they could connect the ERP to its custom-made manufacturing execution system. The new system needed to be affordable and accommodate its fast-growing employment base.

“Our prior ERP was a common source of data errors which resulted in frustrated customers and employees,” Valencourt says, referring to online transactions not being completed or entered.

POLYWOOD need to implement a new ERP quickly, and learned about Acumatica Cloud ERP when attending a Magento conference. Impressed with what they learned about Acumatica, they investigated the platform further.

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– Michael Leedy,  
Manager ERP Systems,  
POLYWOOD

“We didn’t actually open this up for an RFP. We were aware of the NetSuites and Dynamics and other ERPs, but we didn’t really seriously go after any other firm,” Valencourt says. “We liked what we saw with Acumatica and did a rule-out process. Acumatica was able to support everything that we needed.”

In addition to the open API, POLYWOOD liked that Acumatica didn’t charge by the number of users like other ERP vendors. “It helps to have a licensing model that doesn’t punish you for your success. Seat-based licensing models sometimes feel like they can be that way,” Valencourt says.

Rather than implement Acumatica in a phased approach, POLYWOOD executives chose to deploy Acumatica Enterprise Manufacturing Edition plus a number of third-party applications all at once due to the interconnected nature of the existing systems. In addition to Acumatica, technology partner Martin and Associates helped POLYWOOD connect third party applications including ShipHawk, Kensium’s Magento integration, Avalara, Optimizely, and Stripe, among others.

Acumatica was deployed before POLYWOOD’s peak season, which lands between April and June.

## BENEFITS

### No More Babysitting Technology

Once running on Acumatica, the POLYWOOD’s technology or office teams didn’t need to stop regular tasks to help ship products. “We had our biggest invoicing day that summer, and we didn’t even realize it was happening. The technology teams weren’t any busier,” says Leedy. “Acumatica has allowed the business to grow. The system just operates; we don’t have to sit there and watch it, or babysit it.”

Adds Valencourt, “It’s enabled us to actually work on the business again where before we were using shoestrings and bubblegum to take care of our technical debt. Now we have a solid platform where we’ve been able to start making life easier for the business.”

“A few years ago, our peak season was revealing every crack in our systems. Now thanks to an amazing operational team and a better technical platform, we’re able to ship virtually everything on time. It’s very busy, but it’s not crazy, because we were able to apply technology to make processes better. Instead of fixing bugs all the time, the technology team is building new things.”

The technology team of 65, which includes an ERP team of seven, focuses on making processes and departments as efficient as possible.

“It helps that with Acumatica’s APIs and the ways we now get information, orders get ingested into the system automatically,” says Leedy. “We’re getting that information to production and to purchasing quicker and not having to wait for batch uploads. We have more real-time data and reporting that is helping the business. No one has to wait until the next day to find out what happened.”

Real-time data allows POLYWOOD executives to make decisions in real time, something that didn’t happen previously.

“We are getting orders ingested, we’re getting them cycled through the system to get build dates. We’re streamlining the processes on the system to help get the information to production about what needs to be built, when it needs to be built, and what it’s going to take to build it,” says Leedy. “Acumatica provides the data in real time to the individuals that need it.”

The company’s growth is no longer hindered by a legacy financial system. “Now we have something that can scale and grow with us,” says Valencourt.

POLYWOOD isn’t constrained by expensive per-seat licensing. “We don’t have to worry about obtaining 100 new user-licenses or whether we can bring a department on because we have the flexibility to do that now. With a stable system, we can add applications that can help us grow the business,” Leedy says.

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POLYWOOD

## Seamlessly Connected Apps

POLYWOOD's manufacturing execution system (MES) was previously a siloed shop floor-like system that didn't share information with its prior ERP. "But now its integrated with Acumatica, which helps with MRP and inventory," Valencourt says. "Acumatica is the system of record for everything, financials, bill of materials, etc., whereas before, some of that only lived in the MES, which wasn't ideal."

The company added ShipHawk uniting parcel, LTL and freight broker services in a single platform and automating many of the documentation, warehouse and inventory tasks associated with shipping. This reduced POLYWOOD's shipping times while eliminating many manual tasks.

With Kensium's connection between Acumatica and Magento, orders are seamlessly and automatically processed, including payment acceptance. Avalara's tax application allows POLYWOOD to automatically apply the correct state sales taxes while its adoption of Optimizely has made for an easy-to-user ordering portal for POLYWOOD dealers.

In addition to creating more detailed reports and drill down within Acumatica, POLYWOOD deployed Velixo, which allows executives to slice and dice data in a myriad of ways they couldn't previously. "It's a lot easier to troubleshoot data issues if items get posted in the wrong area," Leedy says. "The ability to customize the reporting dashboards are critical."

POLYWOOD's finance team previously had elaborate spreadsheets that took a lot of time to manually update with exports. "Now they are able to pull data quickly, and that's been a big plus," Leedy says.

## Platform Built for the Future

Both Leedy and Valencourt praised Acumatica for taking an open and flexible approach to the platform's development, listening and cultivating customer input, and striving to keep improving its business system.

"Acumatica is a modern ERP that's built to scale with a large and hungry team behind it," says Valencourt. "It's actively being developed with two releases a year. It's well supported, extremely flexible, customizable, and it scales. And its API-first."

Adds Leedy, "I like that Acumatica has a roadmap for what's coming in the future. With many other ERPs, you don't know what they are developing. At Acumatica's Summit, you get a pretty clear roadmap about what future releases will be, so if you're looking to grow your business, Acumatica is looking to grow too."

## New Products, New Markets

POLYWOOD has been the leader in developing casual outdoor furniture with plastic lumber for the past 30 years. It is now moving upscale and offering furniture aimed at designers. The company partnered with Martha Stewart, Country Living Magazine and launched several new Designer Series outdoor furniture collections. Earlier this year, it also opened an 11,000-square-foot designer showroom in Atlanta that showcases its new product lines.

With a state-of-the-art technology platform that allows it to rapidly scale, lean manufacturing processes that minimize waste, and a multitude of new designer products, POLYWOOD is poised for continued fast growth.

"We are on the path to becoming a sustainable lifestyle brand," Doug Rassi, president, CEO and co-founder, said in a press release. "We will continue to expand furniture collections, and we continually talk about other product lines and their priorities. I view the POLYWOOD world as a never-ending expansion."

Adds Valencourt, "Acumatica can scale with us, and we can scale with Acumatica. There's no business process or customization that we have that Acumatica isn't able to support because we don't just have to use Acumatica out of the box. We can build on top of it. And that's been really key for us."

# POLYWOOD®