Sage 100 ERP | Customer Success

The Chemistry's Right for Betachem: Streamlined Distribution for Importer

A generation ago the founder of Betachem recognized a business opportunity in generic drugs. He began importing pharmaceutical ingredients from Europe and India and resold them to U.S. generic pharmaceutical companies. These firms added coatings and other additives to make end products approved by the FDA and eventually sold in the marketplace.

Until 1998, Betachem's accounting functions were handled by an outdated proprietary system. "We looked for a comprehensive package to automate both the accounting and operational sides of our business—something that could maintain batch and lot data, monitor returned products, and provide for a better-informed sales force," says Kevin Caldera, CPA, Betachem's controller.

All the Right Ingredients

Sage 100 ERP* was the perfect prescription for Betachem. "One of the most beautiful features of Sage 100 ERP is that it tracks many types of data," Caldera says. "We needed custom fields like drug master file numbers and source manufacturers to appear on invoices. These types of fields are inventory-specific and not sales-specific. Fortunately, our reseller figured out how to pull the correct information from the inventory database and carry it over to the Accounts Receivable module, showing all the data we needed on the invoice. I've never seen anybody get an application to work as easily as he did."

Sage 100 ERP streamlined operations just as Caldera had hoped. "The new system easily increased our efficiencies by one-third," he says.

Integration With Sage SalesLogix Sales

Betachem recently powered up its sales force with Sage SalesLogix Sales, customer relationship management (CRM) software that is integrated with Sage 100 ERP.

"We're really a sales office at heart," Caldera explains. "Our salespeople need to know which orders are open, what we've sold to a customer in the past, where our inventory stands, and otherwise access information that resides in accounting. Sage 100 ERP closes the gap between our CRM and business systems, giving us a seamless end-to-end solution."

*Sage 100 ERP was named Sage ERP MAS 90 when Betachem, Inc. initially implemented this solution. The product names have been updated in this case study to reflect current naming.

Customer
Betachem, Inc.

Industry
Pharmaceutical distribution

Location
Upper Saddle River, New Jersey

Number of Locations
One

Number of Employees
12

System
Sage 100 Standard ERP

Challenge
Replace old accounting system with full-featured system integrating operations and sales.

Solution
Sage 100 ERP with diverse suite of modules, including Sage SalesLogix Sales and Return Merchandise Authorization.

Results
Seamless system gives sales staff access to all customer data and streamlines the returned merchandise process, increasing overall efficiencies by 33 percent.

He adds that the new system "does all the remembering" for the sales team. "Now there is absolutely no excuse for dropping a lead or failing to communicate with a customer. This translates into better customer service—and an improved competitive edge."

"The best thing about Sage 100 ERP and Sage SalesLogix Sales is that we never have to think about them separately," says Caldera. "You set it up and it does what you want—ensuring that data flows smoothly between the front and back office."

RMA Tracks Returns

Returned merchandise is a problem throughout the pharmaceutical industry. Even minor shipping damages make an entire drum of product unusable. Many of Betachem's customers are large, publicly traded companies that require Return Merchandise Authorization (RMA) numbers on all returned goods. Previously, numbers were assigned by hand using a log. Fulfillment instructions were maintained elsewhere. The entire return process took five separate steps.

The RMA module for Sage 100 ERP has changed all that by centralizing and automating all return functions. The staff selects if a customer should receive replacement items or credits, and RMA automatically generates all appropriate transactions including credit memos, replacement orders, and purchase orders. An inquiry program determines the status of a return, and a Return Reason Report helps identify recurring issues with vendors or shippers. "It's all very smooth," Caldera notes. "Not only do customers get the information they need, but we can also pinpoint causes of returns to make improvements."

Caldera is confident that Sage 100 ERP was the best choice for Betachem. "There's no way we could have grown this big without Sage 100 ERP and Sage SalesLogix Sales," he says. "And we have a long ways to go before we'll outgrow it."

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> Kevin Caldera, controller
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