

“Save Our Company!” ATSCO Works a Miracle with RedTail Solutions



CASE STUDY



Customer

ATSCO Remanufacturing, Inc.
Phoenix, AZ
URL: www.atscoreman.com

Industry

Automotive remanufacturing

Challenge

For a new business reliant on a large and demanding customer, provide an EDI solution supporting the trading partner’s direct store distribution model, and deliver it yesterday

Solution

RedTail Solutions’ Managed EDI Service, fully integrated with Sage MAS 200

Results

Managed EDI service operational in just two weeks; 99% fulfillment rates; 50% savings

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Mickey Wright
IT Manager, ATSCO

About ATSCO

Having a national retailer like AutoZone as your customer can mean the difference between the life and death of your business. And if you have only a few weeks to meet AutoZone’s strict vendor criteria, you know what it means to sweat bullets.

That was the situation Dale Eaton found himself in. He had sold his successful automotive remanufacturing business, whose key customer was AutoZone. But the purchaser subsequently went bankrupt. Eaton was able to buy back assets of the steering portion of the business, in an attempt to revive his former company under the new name of ATSCO Remanufacturing, Inc.

Instant Infrastructure

But Eaton would lose AutoZone, as well as his fledgling company, if he couldn’t re-create business systems almost immediately -- especially the cutting-edge electronic data interchange (EDI) capabilities AutoZone requires of its vendors. Just getting a financial system set up quickly was a huge challenge in itself. Building a custom EDI solution on top would take many months plus a significant investment. And no one at ATSCO had the expertise to design or manage such a huge undertaking in-house.

Eaton was familiar with Sage MAS 200, and adopted it as his enterprise resource planning (ERP) solution. Fortunately, Blytheco, his Sage Software Authorized Reseller, recommended an innovative approach to resolve the EDI issue – RedTail Solutions’ Managed EDI Service. By offering hosted EDI technology and ensuring tight integration with existing business systems, RedTail Solutions’ relieves businesses of the challenge of creating and managing their own EDI solution, eliminating development time, costs and risk.

Robust Functionality — Fast

To Eaton’s amazement, RedTail had ATSCO up and running in just two weeks. Within a few more weeks, it was processing hundreds of transactions every day between ATSCO and AutoZone – helping to ensure the company’s survival.

“RedTail’s out-of-the-box integration to leading accounting platforms like Sage MAS 200 was most important in our EDI decision,” says Mickey Wright, ATSCO’s IT Manager. “Their ability to support AutoZone’s direct store delivery business process as a hosted solution also proved to be huge.”

"We are saving 50 percent by using RedTail Solutions instead of an on-premise EDI. This frees up capital that is urgently needed in other areas, so we can continue to improve products and expand our client base."

***Mickey Wright
IT Manager, ATSCO***



AutoZone Demands (and Gets) Excellence

AutoZone, the nation's leading retailer of automotive after-market replacement parts and accessories, uses innovative logistics and inventory management to streamline its supply chain. Through its Vendor Direct Program (VDP), it guarantees delivery of special orders, including remanufactured parts, to customers at any of its 4,000+ locations within 48 hours.

When a customer places a special order with AutoZone, the request is sent via EDI to a supplier like ATSCO. The vendor must process the order by close of business on the same day, and provide acknowledgement back to AutoZone with an invoice and advance shipping notice (ASN) detailing the freight carrier and expected delivery time. The customer returns to AutoZone two days later to pick up the part. With such a brief window for turnaround, the supplier has virtually no margin for error, either in its fulfillment process or EDI technology.

RedTail's solution gives ATSCO the flexibility and power it needs to meet these exacting standards. ATSCO's AutoZone fulfillment rates are almost perfect.

Smooth, Secure System

RedTail Transaction Manager™ serves as the technical liaison between AutoZone and ATSCO. Here is how it works. AutoZone batches its orders for remanufactured parts, and sends them to RedTail via a secure AS2 connection throughout the business day. RedTail creates the individual ASN required for each order, transforms the orders into a format that is imported directly into Sage MAS 200, and sends them on to ATSCO. For every store order received by ATSCO before the end-of-day cut-off, ATSCO responds with an 810 (invoice). If the part is available for shipment, the invoice carries a charge. If not, an alert goes back to RedTail.

Next, RedTail transforms the 810 into two transactions: an 810 invoice that also serves as an order acknowledgment, plus an 856 (advance shipping notice). Both are forwarded to AutoZone. The corporate office forwards the 856 on to the store, so the consumer can be notified by the next day if and when the replacement part will arrive at the store.

Another National Customer

ATSCO has since brought a second major trading partner into its EDI operations. RedTail helped by mapping required transactions, establishing business rules of the trading relationship, testing and validation. This let ATSCO focus on enhancing and growing its core business rather than worrying about EDI technology.

"We are saving 50 percent by using RedTail Solutions instead of an on-premise EDI package," says Wright. "This frees up capital that is urgently needed in other areas, so we can continue to improve products and expand our client base."



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