TRADITIONAL BUSINESS MODERN MANAGEMENT

REGENT BUILDING MATERIAL SUPPLIES COMPANY LIMITED

"The main reason we choose FLP® Enterprise Management System is that it lets us control over shops and warehouse, and improve ongoing sales potential."

Mr. Simon Tso, CEO, RBMS Group

Since its establishment in 1998, RBMS has concentrated on the trading of ceramic tiles. The company acts as an importer of ceramic tiles and resells tiles to local shops and construction designers. At the same time, RBMS recognized the need to expand its sales operations into the point-of-sales market in 2000. While the company has succeeded in its product brands, the business procedures fall apart even when running 2 outlet shops. To capture the sales potential, RBMS has pushed ahead its number of outlet shops. The strategy clearly centers on making changes to the sales processes and improving the IT environment – with an ultimate goal of expanding market capture.

Key Challenges – Communication and Collaboration

RBMS gave the revamp of its shop sales process top priority – giving process standardization greatest importance. In addition, the FLP® Development Team discussed the system requirements needed to make warehouse crew accountable to inventory well-keeping. First, the FLP Enterprise Management System made the shop sales instantly visible in the backoffice so that the financial manager could feel confident in the completeness of sales and no misappropriation of sales proceeds.

RBMS also devised a mechanism to let the shop sales staff efficiently communicate delivery details with the warehouse staff. The new IT environment also saved tremendously the time the shop staff had previously needed to correspond with the warehouse delivery crew – this had been a major issue.

"Even till now," says Simon Tso, "many business owners were cautious about IT investment." But RBMS saw that IT could play a vital role in supporting their sales-expansion goals. Simon Tso says that the RBMS sales staff used to need a lot of time to communicate with the warehouse. In addition, he adds, "There were even cases where delivery was completely forgotten until the customers complained on their orders."



Unified System Helps Monitoring and Controlling

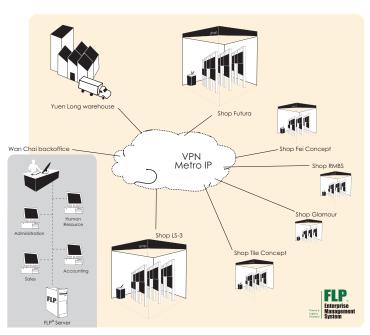
Simon Tso points out that if individual sales staff were coordinating delivery, the company could easily miss the delivery of the order without managers even realizing it. "To eliminate the company's chances of delivery error and omission," says Simon Tso, "we needed a way to accurately monitor the process of sales linked with delivery and this requires standardizing the sales process. Previously, this delivery tracking is meaningless, if not impossible, as our operational efficiency was so deficient because the process required the warehouse delivery crew to answer numerous phone calls from shops and to sort the delivery orders received through the fax machines. The delivery orders are constantly changed." "Frankly speaking, we in the backoffice should not make any staff to be responsible." According to Simon Tso, RBMS realized that this was an area where a true collaboration IT system would be particularly valuable to outperform the competitors. RBMS realized that a new, standardized sales process could improve efficiency by avoiding the possibility of delivery error.

Implementation Highlights – IBM and FLP

RBMS eliminates diverse standalone systems in the various outlet shops and gets rid of spreadsheet base of financial reports. IBM solutions are selected. RBMS selected FLP® Enterprise Management System. IBM Lotus Domino/Notes is used as both the email and collaboration software platform running on two IBM xServers, one replicating data at regular



interval as resilience. Shop PCs and the warehouse PC are connected to the server through PCCW's Metro IP network. Metro-IP is a metropolitan area network service providing enterprise IP connectivity with business-quality performance and security, carrying traffics among company locations and remote users. Ultimately, point-of-sales, delivery schedule, warehousing and financial systems are running on one server, one system – the FLP® Enterprise Management System. Time is of essence. The FLP® development demonstrated its professional expertise in the implementation and the project was completed on time before the new fiscal year in just six months.



FLP® connects multiple shops to one server, one system.

Financial Benefits

Immediately after using FLP®, RBMS increased its sales turnover. Sales performance reports are always timely and accurate. Daily transactions are recorded in one system and as a result it eliminates redundant financial systems. Business owners have access to business information anywhere and anytime and they can react quickly to the changing market conditions. The visibility of business information such as product selling pattern is improved. Soon after adopting FLP®, RBMS is able to keep the quantity of stock level in an optimal level. Sales receipts are monitored online by the backoffice managers. As a result, cash flow is improved and there is no chance of forgotten sales receipts mistakenly or intentionally.

Operational Benefits

The information of warehouse inventory and arrival date of purchased goods is always online. Shop staff



FLP® Enterprise Management System Main Menu

can promptly commit a delivery date to the customer. Before using FLP®, RBMS was talking about historic monthly reports but now it becomes real time reports. Because there is no time lag in transaction processing, accounting transactions are processed in real time. Accounting year end close can be ready in one month. Business owners can exercise their purchasing decision accurately because they know exactly the sales trend, latest purchase cost and inventory level. FLP® supports remote access and the business owners can get access to business data even when they are taking business trip in Italy.

Immeasurable Benefits

Some of the benefits RBMS has experienced are not easily measured. For example, shop staffs are working in an efficient environment and they are devoted to their role and get job satisfaction. They are now proactive in the roll out of seasonal sales campaigns. As a result, higher efficiency means more staff time for value added tasks. Because company information is available in real time, the quality of customer service is improved and so is customer satisfaction.

An Investment in the Future

Before using FLP®, shareholders criticized inadequate reporting. RBMS decided to replace its antiquated software. After a careful review, they chose FLP®. "FLP® offered a powerful solution that was proven in other business models", says Simon Tso. "We could see that FLP® standardizes business processes to take our group into the future expansion."





