



Martor USA

www.martorusa.com



At A Glance:

- **Company:** Martor USA
- **Location:** Green Bay, WI
- **Industry:** Distribution/Wholesale
- **Challenges:**
 - Outdated accounting required double-entry
 - Sales automation had no visibility into performance or inventory
 - Cloudy inventory led to high shipping costs
- **Software switched from:** MYOB, Goldmine
- **Other software considered:** MAS 90
- **Results with NetSuite:**
 - Saved thousands of dollars monthly on shipping
 - Eliminated week-long invoicing delays
 - Avoided MAS 90 costs: \$40,000 for software, training and licenses; \$40,000 for hardware

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The Results: Cutting Out the Fat

By leaving behind outdated and poorly integrated systems, industrial cutting tool manufacturer and distributor Martor USA has eliminated frustrating and costly delays and inefficiencies in its business. Double-entry has been eliminated, a growing sales force now has instant access to up-to-date performance figures, and orders are no longer held up for weeks awaiting proper invoicing and documentation.

Because air shipments are more than quintuple the price of sea transport, President and CEO Mel Freedman is elated that the detailed inventory tracking offered by NetSuite has allowed him to replace one monthly air shipment from Martor’s German headquarters with surface freight, saving thousands of dollars each time. “We have reduced shipping expenses dramatically by having information immediately available,” says Freedman.

The Challenges: Keeping Sharp

Martor USA debuted in the early 1980s as The Spoilage Cutter Company, selling the innovative Zepher Model 102, a tool for cutting the outside layers off of a large roll of paper or film. Success led to more success and by 1995, the company became an exclusive distributor for Germany’s Martor Company, which manufactures a wide variety of industrial cutters.

However, the company’s growth put a strain on an aging IT infrastructure based around MYOB and Goldmine. Because the company was operating in multiple locations with outdated software, duplicate accounting was necessary for bookkeeping and shipping. “We were struggling with the amount of time it took to get invoices out and do the double entry,” says Freedman. “It was a real problem, and there was no visibility of sales information to the salespeople.”

While business remained strong, the company began searching for ways to better manage inventory. Frequent air shipments from Germany kept inventory levels low, but at a high cost. Without a clear view into inventory status and sales projections, saving money by

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Martor USA*

switching to sea transport was impossible. “If you’re going by boat it takes about a month, so you have to really understand how much you’re selling and how much you’ve sold.”

With business being held hostage by inefficient systems, Martor searched for answers. “We thought we may need to put a server in and put in a VPN because of the number of orders,” says Freedman. Martor investigated MAS 90 but the costs quickly ramped up past his tolerance.

“It came back as about \$40,000 for software, training and licenses, then another \$40,000 for hardware,” he says. “I said, ‘There’s got to be another way.’”

The Solution: NetSuite Hones the Edge

Rather than spend six figures on traditional back-office software, Martor USA adopted NetSuite in October 2002 and hasn’t looked back.

Since switching, Martor has enjoyed improved sales visibility into pipeline and performance over Goldmine. With the aid of NetSuite Professional Services, Martor migrated thousands of existing customer records to the NetSuite system, which keeps all records updated system-wide as soon as an order is placed or an opportunity is created. “With Goldmine, every remote computer needed to sync at the end of the day or the information wouldn’t be there, and now we don’t have to worry about that. If we had to go back, we would go crazy,” says Freedman. “People love being able to know how many orders they got the day before, and how many units we sold.”

Martor USA handles hundreds of customer orders per week and most are processed through NetSuite's seamless UPS shipping integration, reducing the time and effort necessary to complete a shipment and improving productivity in the warehouse. “There is no way we would have been able to continue to grow without hiring another data entry person for the warehouse,” says Freedman.

Invoicing delays, which stretched out as long as two weeks when Martor was using its previous infrastructure, have been eliminated now that NetSuite generates same-day invoices for mailing. “Some customers had systems that required the invoice to record the deal, and they got measured on how long it took to close the deal on their end. It was wasting their time and our time all around.”

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