



CUSTOMER SUCCESS STORY

CUSTOMER

Island Soap Company

INDUSTRY

Soap and candle manufacturer

LOCATION

Kauai, Hawaii

Number of Locations

Eight

Number of Employees

30+

SYSTEM

Sage BusinessWorks

Modules in Operation

- Cash Management
- Custom Office
- General Ledger
- Inventory Control and Purchasing
- Order Entry
- Payroll
- System Manager

Island Soap Lathers Up e-Sales With Sage BusinessWorks

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Tourists needing a small, fragrant gift to tuck in their suitcase have long been a business mainstay for Island Soap and Candle Works on the island of Kauai. Island Soap’s products are unique because everything is handmade with natural ingredients and features tropical scents.



Started in 1984 by Stephen and Marlena Connella, the couple finally outgrew their garage and built a 1,200 square foot building on their property. In addition to wholesale distribution, they branched out and opened their own retail outlets that are found throughout Hawaii today. Now, the main factory and offices reside in a newly renovated 6,000 square foot commercial building.

Today, Island Soap products can be found in fine retail and sundry shops throughout Hawaii. Product lines have been expanded to include lotions, candles, perfumes, body washes, lip balms, aromatic oils, shampoo and surfer’s salve.

Problems in Paradise

By 2000, Island Soap had also outgrown its QuickBooks accounting system. “QuickBooks had no means for managing our raw materials inventory in the manufacturing process,” says Jim Psaila, general manager. “Also, QuickBooks was slow and lacked an open source database so that we could do further data mining. Manually integrating our DOS-based inventory management program with QuickBooks took a considerable amount of time, and lacked the accuracy we wanted. Sage BusinessWorks fixed all those problems.”

Psaila upgraded to Sage BusinessWorks because he had heard good things about a

CHALLENGE

QuickBooks was cumbersome, slow, underpowered, and did not provide necessary inventory or e-commerce management features

SOLUTION

Sage BusinessWorks with full suite of financial and inventory modules, plus BW Xchange e-shopping cart application from SWK Technologies

RESULTS

Web order processing has been reduced from 45 minutes to 5 minutes, allowing sector to grow; automation trimmed 15% off shipping time, and improved morale in shipping group

"When we selected Sage BusinessWorks, Island Soap was averaging about \$50,000 a month in sales. Today we bring in over \$150,000 every month—which would be impossible without our software."

—Jim Psaila
General Manager
Island Soap Company

ABOUT SAGE SOFTWARE

Sage Software has been responding to the needs, challenges, and dreams of small and mid-sized businesses for over 25 years. With a complete range of business management solutions and services, Sage Software helps companies improve customer relationships, reduce costs, and automate and integrate a variety of operational activities. Its solutions support the specialty needs of a broad scope of industry segments, including manufacturing, distribution, construction, real estate, nonprofit, and professional services.



sister product, Sage MAS 90. "We figured we couldn't go wrong if we went with a well-respected provider like Sage Software," he says. "We worried that a smaller company might not be around in a year or two. We felt comfortable knowing that Sage backed up their products with reliable support. Also, we were impressed with the Inventory Control and Purchasing module in Sage BusinessWorks, and the end-to-end integration the software offered."

Squeaky Clean Data

All of Island Soap's accounting functions such as payroll, accounts payable, receivables, invoices and sales orders are now managed using Sage BusinessWorks. The Inventory Control and Order Entry modules integrate seamlessly with the financial modules, so all of the company's data is stored in a single system. This has eliminated errors from duplicate entries with their former stand-alone systems.

The shipping department uses Sage BusinessWorks to enter freight costs as orders go out the door. A customized link from SWK Technologies allows the system to share data with Federal Express, so deliverymen pull addresses directly from orders in Sage BusinessWorks. "Integrated shipping saves us about 15 percent in time and costs, which means a lot for a small company like ours," Psaila says.

Inventory is more accurate now, too. "We just started having our production people actually build items at workstations through a build feature in Sage BusinessWorks, giving us real-time data for manufacturing," Psaila explains. "Previously, our manufacturing data was two weeks old. Real-time information lets us manage the business much better."

Smoother e-Sales

Devotees of Island Soap products responded well to the idea of Internet sales, which allowed the company to expand its

geographic base to the mainland and Japan. Its generic database program, however, was no match for the volumes that soon developed. Luckily, Psaila learned about BW Xchange from SWK Technologies, a shopping cart module that integrates online sales orders with Sage BusinessWorks.

"We sell things a little differently than most other manufacturers, in that customers select both an item and a fragrance to go with it," explains Psaila. "We therefore have a translation table so the system looks for both the item and attribute numbers. Sage BusinessWorks and BW Xchange were easily customized to handle this need, which made importing shopping cart transactions much easier."

Serious Savings

Another time-saver came from automating the process for verifying whether a new order comes from an existing customer. This had always been a tedious manual process for Island Soap. Together, Sage BusinessWorks and BW Xchange compare new orders with a customer roster, looking first by zip code, then for a name and address match.

With drop-down menus in Sage BusinessWorks, it is now easy to find previous accounts, check for accuracy, make corrections, or add comments. Only when duplications have been ruled out does the software enter a new customer. "Sage BusinessWorks and BW Xchange have trimmed the time we spend processing e-commerce orders by 90 percent," Psaila estimates.

"When we selected Sage BusinessWorks, Island Soap was averaging about \$50,000 per month," Psaila continues. "Today we sell well over \$150,000 of merchandise from our wholesale factory alone! This kind of growth would have been next to impossible without our Sage BusinessWorks software. I'm really pleased with both Sage BusinessWorks and BW Xchange. They have addressed every concern we previously had."