

PCCA Members Rely on Sage Pro ERP to Reduce Overhead

Founded in 1953, farmer-owned Plains Cotton Cooperative Association (PCCA) is one of the largest cotton marketing organizations in the world, headquartered in Lubbock, Texas. With a mission to keep members profitable, one of the PCCA's major challenges in recent years has been finding ways to pare overhead costs to compensate members for a 75 percent drop in the price of cotton.

"The profitability in our raw material has been virtually eliminated, so we had to examine the infrastructure of our business to find ways of making up the difference," says Joe Tubb, the PCCA's vice president of information systems. "It soon became clear that by replacing our mainframe systems with point-and-click, client/server-based applications, we could go a long way toward achieving this goal."

Among the PCCA's first target applications for this migration was accounting. "We had been using a mainframe-based, "green screen" accounting application for 24 years, and we were certain that we could achieve significant cost savings and productivity gains by moving to a Windows-based accounting solution," Tubb explains.

True Value: The Best Solution for Less

The need to trim overhead did not mean that the PCCA wanted their new accounting solution to be the least expensive application on the market—only the one with the most value. Fortunately, after a careful search they discovered that Sage Pro ERP software gave them the benefits for the money.

"Only Sage Pro ERP offered all the capabilities we wanted at a price that was \$1.6 million less than the closest competitor," Tubb recounts.

"In most scenarios, software is licensed to a parent company for maintaining a single general ledger on behalf of their subsidiaries," explains Ken Koenig, president of Koenig Software Systems, LLC, the Sage business partner for PCCA. "But because the PCCA is a cooperative, this scenario needed to be reversed so that a single copy of the software could be leveraged across all member sites, allowing each gin to maintain its own general ledger."

Sage Pro software enabled them to centrally manage the accounting function for all 165 widely distributed sites, thereby minimizing maintenance and data backup costs. Low-cost,

Customer

Plains Cotton Cooperative Association

Industry

Agriculture, Forestry, Fishing and Hunting—Cotton Farming, Field, and Seed Production

Location

Lubbock, Texas

System

Sage Pro ERP

Challenge

The PCCA needed to increase profitability and boost productivity by migrating from an antiquated mainframe-based accounting application to a more flexible and cost-effective solution.

Solution

Sage Pro ERP software delivers a cost-effective and simple migration path managed easily from a central location.

Results

Sage Pro saved the PCCA time and money with centralized management features. By accessing the Sage Pro source code, the PCCA was also able to customize the application to its unique needs.

centralized management was also supported by the core file structure of Sage Pro, which enables secure segmentation of data for each member relying on the solution. No additional security systems were required to ensure that the data from each gin remains isolated from all others.

Source Code is Key to Easy Customization

In addition to offering low cost, Sage Pro software was also unique in providing the PCCA with the source code for their accounting application. "Owning source code is essential because it enables us to make the changes we want, when we want, without relying on a vendor," Tubb explains. "Despite the proven financial stability of all the vendors we considered, this flexibility gives us an added measure of comfort." With ready access to the source code for Sage Pro, the PCCA is leveraging its existing staff of programmers to create the required interfaces to other applications utilized at the gins. "Our members rely on a number of custom applications at the gins to enter bale information and data pertaining to sales of gasoline used to fuel their machinery," continues Tubb, "and we needed a way to enter this data into Sage Pro. With the source code, our programmers were able to rapidly create these interfaces."

To facilitate the transfer of data from these other applications, the PCCA relies on a Sage Pro feature called ProAlert that scans the back-end data capture systems. When new information is found, ProAlert automatically imports it into Sage Pro. This feature was also key to the development of a customized payroll wizard that simplifies entry of payroll data at each gin. "ProAlert has been a very beneficial feature because it enabled us to simplify existing business workflows, without forcing us to modify operations as other systems would," says Tubb.

Fast Implementation: Another Deal Maker

On the basis of these key differentiators, the PCCA leaned in favor of Sage Pro. But the team held back on their final decision until a pilot implementation could be completed.

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Vice President of Information Systems
Plains Cotton Cooperative Association

"Implementation speed was critical to us because we only had a two-year window." Tubb explains. "Implementation periods were severely restricted because of annual five-month harvest seasons. As a result, we knew we could not make our deadline unless each site could be implemented in one month—a period that vendors other than Sage said was about three months too short!"

By contrast, the Sage pilot project was completed in 30 days by Koenig Systems. Since then, the PCCA has created templates and a procedural flow that has allowed all subsequent sites to be implemented in the same time-frame. "Sage met every one of our requirements and expectations," Tubb concludes. "And now it is clear that Sage Pro will also meet all of our accounting needs—so much so that we have already committed to migrating our corporate payroll process to Sage Pro as well."