



Swavet RSA (Pty) Ltd ROI Study

Company Name:	Swavet RSA (Pty) Ltd
Industry:	Supplier of Veterinary Products
Number of Employees:	26
SAP Business One users:	5
Previous System:	Pastel Evolution
Implementation Cost:	R160k
Return on Investment:	12 - 18 months

Swavet is a successful, family-owned business that specialises in the distribution of a wide range of veterinary products - from antibiotics to ear tags - to co-ops and farmers across the country.

Swavet first approached Bluekey to discuss SAP Business One out of frustration: an unresolvable data corruption in their existing system made straightforward tasks such as updating customer details take an inordinate length of time. "I was frustrated," explains Fritz Rexrodt, MD of Swavet. "My main focus was just to get an equivalent system that allowed my staff to enter data efficiently."

But what Rexrodt did not fully expect was a wide range of other efficiencies that SAP Business One brought to his business. "The design of the system is so clever, it has simply made almost every aspect of what we do, whether capturing data or extracting information, go that much quicker. As a result, even though we have been growing at around 20% per annum since we implemented in 2005, we have not had to take on a single extra administrative staff member, something I can attribute directly to SAP Business One."

Rexrodt continues: "While we have gained efficiencies in areas like report generation and having a single source of data for all our processes, which an integrated solution like SAP Business One allows, our customer service has also improved. We can respond more quickly to their needs by gaining instant access to information, and our time from order to delivery has dropped significantly."

"Another area where we have saved cost or gained revenue is in our stock control. SAP Business One has enabled us to improve our stocking quantities so that we have sufficient stock to satisfy customer demand but not too much stock leading to cash flow limitations. "Because our prices are now all kept in the system, and we have put in business rules to protect Gross Profits and check for customers going over their credit limits, our profit margins are better and our risk reduced."

"Last but not least, if you consider our history, we have had next to no downtime with SAP Business One. It is an extremely robust system and requires almost zero maintenance. We only ask Bluekey for help if we want an extra report written or something like that. Day to day it just looks after itself."

"I haven't run detailed numbers, but if I consider just the direct costs the system has saved us, like not having to hire an additional administrative employee, and the reduction in stock holding, I would estimate that we achieved a return on our initial investment in 12 to 18 months. Not bad considering I was just looking to replace a system that I thought was fine for my business." Swavet has recently rolled SAP Business One out at their Namibian company as well, and will be looking to achieve a similar return on investment over there."

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