

Achieving Results with Accruent for Retail

After an rapid, trouble-free implementation, the Accruent solution met all of Pet Supermarket's requirements and is able to scale to meet growing volumes of data.



“We wanted to have strong control of our lease administration and at the same time, we wanted a scalable system.”

— **Diana Holtz**
President & CEO
Pet Supermarket

Accruent for Retail provides Pet Supermarket with a strategic tool to manage its retail outlets in ways that lower costs and reduce risk.

Headquartered in Sunrise, Florida, Pet Supermarket is a privately held pet specialty retailer that operates more than 100 stores in Florida, Alabama, California, Georgia, Kentucky, Nevada, and North Carolina. Each store offers more than ,000 pet products at competitive prices. The company motto says it all: “At Pet Supermarket you can have a healthier pet for less.”

Pet Supermarket continues to grow and expand, adding stores and markets on an

ongoing basis. Founded in 1973, the chain began as Pet Circus and grew to a thriving chain of nine stores by 1984. In 1986, founder Chuck West shifted his strategy and re-positioned Pet Supermarket as a large supply store chain modeled on the success of Home Depot and Office Depot. Because the company owns its distribution center, it can offer pet products at a better value. Pet Supermarket is currently one of the largest, and certainly one of the most successful pet supply retail chains in the country.

Lease portfolio information is entered once, contained in one system, and is easily accessible by all.

“Accruent recognizes that retailers require all the benefits without the prolonged implementation process.”

— **Diana Holtz**
President & CEO
Pet Supermarket

THE CHALLENGE

Pet Supermarket has identified a niche in the pet supply industry — targeting customers who are concerned about the quality of the products they purchase for their pets.

To effectively serve this market, the company carries a select inventory of specialty products at discount prices.

Given this unique business approach, management recognized the importance of strategic store placement. To succeed, stores had to be located within heavily populated residential areas with potential customers receptive to its specialized inventory and philosophy of “quality at a discount.” The company’s chief financial officer, Diane Holtz, was actively involved in not only negotiating and securing new locations, but also managing and renegotiating the lease terms on an ongoing basis. Using manual systems she had established, she tracked lease terms and used an Excel spreadsheet to manage the company’s portfolio of 100 often complex leases.

As Pet Supermarket grew, the management of lease information soon became time consuming and increasingly complex. The company recognized the need for a system that would ensure compliance with the legal and financial terms of their leases. Additionally, they wanted a system solution that was easy to implement — a “no muss, no fuss” system that is as agile as they are. When Holtz was promoted to president, the task had to be automated and delegated to lower levels of management.

“We wanted to have strong control of our Lease Administration — and at the same time, we wanted a scalable system that would meet the needs of a retailer our size,” says Holtz. “However, we did not have the time or resources required to engage in a lengthy and costly implementation. We needed a system that could be implemented quickly and efficiently.”

Pet Supermarket

THE ACCRUENT SOLUTION

Holtz was convinced that there was nothing available in the market to meet the unique needs of retailers, until she learned about Accruent software at a trade show.

Right away, she knew that Accruent's for retail solution would meet Pet Supermarket's requirements, and purchased the software within one month.

Within three days, Accruent dispatched a subject matter expert who worked on-site with Pet Supermarket, to accomplish everything from data entry and lease verification to database initialization and training — all in less than 100 hours.

Pet Supermarket was able to start managing their entire key lease dates and general information immediately. After three months of parallel testing, Pet

Supermarket went live with paying rents — three and a half months after purchasing the software. The monthly rent amortization entries were no longer manual, but posted automatically to the general ledger from the Accruent system.

“Accruent recognizes that while all retailers can benefit from a superior lease management system, some retailers require all the benefits without the prolonged implementation process that can accompany such systems,” says Holtz. “We were able to implement the Accruent solution in a straightforward, non-intrusive way, without additional expense.”

THE BENEFITS

The rapid and efficient implementation of Accruent's solution has resulted in many positive improvements at Pet Supermarket. In many cases, there was duplicate entry of information in disparate systems.

Now all data associated with the management of the leased portfolio is entered once, contained in one system, and is easily accessible by all in the organization who require location information.

Pet Supermarket estimates that more than three days are saved monthly by using Accruent's system, not counting the time saved preparing recap reports like five year rents.

HIGHLIGHTS

COMPANY PROFILE

- > Pet Supermarket is a privately owned pet specialty retailer, headquartered in Sunrise, Florida. It operates more than 100 stores in Florida, Alabama, California, Georgia, Kentucky, Nevada, and North Carolina. Pet Supermarket stores offer more than 8,000 pet products.

CHALLENGE

- > Pet Supermarket recognized that their lease management was becoming increasingly complex and time consuming. They wished to automate their processes to ensure continued compliance with their lease terms, and required a system that could be implemented quickly and easily.

ACCRUENT SOLUTION

- > Streamlines real estate management processes, integrates the lease management and accounting components and automates auditing.
- > Functions: General Terms, Financial Terms, Audit, Rent Accounting, Financial Management and Activities.

RESULTS

- > Trouble-free implementation, involving minimal time or resources
- > Elimination of data duplication
- > Quicker and more efficient lease entry, changes, payment and posting

Previously, the company was spending one day per month on straight-lining the rent, which they have now reduced to less than an hour. In addition, the rent checks now contain the details of the rent payments (base rent, real estate taxes, etc.), improving the understanding of the rent being paid by the accounting department and the landlords.

All components of rent are separately maintained in the Accruent system, and the rent payments are posted to the Accounts Payable system directly from the Accruent software. Since spreadsheets are no longer needed to amortize the rents, and the changes to rent payments only need to be entered to the Accruent system and not both the spreadsheets and the company's Accounts Payable system, the company estimates that two more days are saved each month.

Holtz no longer has to personally run and approve rents — but can rest assured that the work is being done accurately and in a timely manner. Changes to monthly rent payments are printed on an exception report, as part of the system process to post the rental payments. This makes it possible for an accountant to make the rent changes, while allowing the controller to oversee all changes efficiently.

Many successful retailers recognize the need for a system to help with the effective management of their leased locations. As Pet Supermarket discovered, the Accruent solution not only met all their requirements, but was trouble-free to implement and easy to use.

ABOUT ACCRUENT

Founded in 1995, Accruent leads the industry with a new generation of solutions designed to fully leverage real estate assets and decisions as an enterprise competitive advantage. Accruent Real Estate Performance Management (RPM) solutions maximize the impact that real estate properties—stores, restaurants, local branches, and corporate offices—have on company performance by driving revenue growth, reducing costs and achieving financial compliance. More than 340 of the world's largest companies, including 20 percent of the Fortune 500 and 40 percent of the Top 100 Retailers use Accruent's solutions. In addition, Accruent couples the broadest and deepest real estate data set and advanced business intelligence to bridge the gap between daily operations and strategy.

For more information, visit www.accruent.com

1601 Cloverfield Blvd.
Suite 500 South
Santa Monica, CA 90404

Phone: 310.526.5700

Fax: 310.526.6300

Email: sales@accruent.com