

# PHANTOM FIREWORKS

Phantom Fireworks Streamlines Business Processes and Fireworks Sales Skyrocket with VAI S2K.

## CLIENT SUCCESS STORY

### Company Overview

For more than 35 years, B.J. Alan Company has been proud to be the nation's leading distributor of consumer fireworks. Consumers throughout the United States recognize its exclusive Phantom Brand® Fireworks as the most innovative in performance on the market. Phantom Fireworks brings professional display firework performance and converts it to safe, powerful consumer products. The result is the most highly demandable product line in America.

B.J. Alan and its Phantom Brand® Fireworks are best known for:

- Selling consumer fireworks at competitive prices
- Playing a leadership role in promoting the manufacture and sale of safe consumer fireworks in the U.S.
- Operating permanent fireworks showrooms in 16 states

- Operating over 1,200 temporary locations nationwide at the height of the Fourth of July season

### Challenge

Phantom Fireworks' philosophy for success is clear: integrity and hard work pay off with satisfied customers, repeat business, and significant growth year after year. As one of the nation's largest importers of fireworks and sparklers, 90% of Phantom Fireworks' business is generated in the six weeks leading up to the July 4th holiday—with 75% of this business coming in the final two weeks—making uptime at stores critical. As part of this, business escalates beginning on Mother's Day each year, making it essential for Phantom Fireworks to process each sale in an efficient and timely manner. To ensure it is keeping pace with increased demand during this time and leading up

to July 4th, Phantom Fireworks needed a reliable back-up system that delivered up-to-the-minute information.

Phantom Fireworks is known for offering competitive deals, promotions and coupons, and is consistently called on to match competitors' prices. However, in order to ensure that it offers the lowest price and best deals, Phantom Fireworks' system needs to automatically set competitive deals in advance for all of its stores across the country. This would help streamline processes, particularly during the company's busy season leading up to July 4th.

Customer Inventory tracking is also extremely important for Phantom Fireworks as each state has different laws and regulations around the sale of fireworks, requiring a separate business



model for each state. Because of this, Phantom Fireworks needs to merge all of this disparate activity into one financial schematic.

As part of the company's ecommerce/POS, order and customer inventory management was extremely time and labor intensive—creating a delay in activity by 24 to 48 hours.

### **Solution**

As the company continued to grow its operations across 59 retail locations and a dozen warehouse locations throughout the U.S., Phantom Fireworks needed all of these locations to work on the same ERP (Enterprise Resource Planning) software. The Board of Directors at Phantom Fireworks set out to deploy ERP software that would let them track and receive inventory. After evaluating several solutions from various companies, Phantom Fireworks selected VAI S2K. The company determined that with its clean interface, low cost and high performance, S2K was the ideal solution for Phantom Fireworks.

The implementation of VAI's POS system was seamless and fast—and after the first retail store converted in January 2011, Phantom Fireworks rolled out the solution on an average of two stores every week.

### **Business Results**

After implementing VAI S2K 5.0, Phantom Fireworks' sales increased between three and five percent during the busy July 4th time period, with the system easily managing the high volume of sales. Because of the solution's friendly user-interface, training employees on VAI S2K was simple, reducing training time from three days to a single afternoon—enabling employees to focus on their jobs rather than learning a new software system.

Because of its business sector, Phantom Fireworks was faced with maintaining regulatory compliance with PCI (Payment Card Industry). However, since upgrading and maintaining compliance is expensive, VAI's partnership with VeriFone was particularly attractive to Phantom Fireworks because it enabled the company to ensure the security of all payment transactions and help maintain PCI compliance.

Furthermore, in early January 2012, Michigan legalized the sale of fireworks—providing a significant opportunity for Phantom Fireworks and the need to act quickly. With the help of VAI and the S2K solution, Phantom Fireworks was able to open three retail stores in Michigan in just two weeks.

The deployment of VAI S2K 5.0 has been so successful for Phantom Fireworks that it plans to extend the use of S2K to include VAI's Warehouse Management System (WMS). This is expected to roll out in the summer of 2013. Phantom Fireworks is also moving into a new million square foot plant in Warren, Ohio, where it plans to implement WMS to create the wireless network and begin scanning.

Mike Koocher, CIO of Phantom Fireworks, couldn't be happier with VAI S2K. "With the VAI technology, we've significantly enhanced our inventory accuracy, enabling us to increase sales and improve uptime across all retail stores during the busiest—and most important—time of year. VAI S2K is helping to streamline our business and sales cycles more efficiently with its easy to use modules. We're excited with the results so far, and look forward to further expanding our use of the S2K technology."

### **Key Benefits**

- Rapid implementation
- Real-time accounts receivable/payable control
- Immediate sales growth
- Easier to train new employees
- More efficient and up-to-the-minute inventory management

