

Success Story:

Petrogas



Sage Accpac fuels greater efficiencies for Mobil distributor.

Petrogas has been a major distributor of Mobil fuel and lubricant products in Melbourne for some 40 years. With turnover of \$AUS 85 million per year, Petrogas has 15 bulk fuel trucks on the road each day, delivering fuel to a range of commercial and industrial organizations as well as petrol stations. Petrogas also has three trucks operating from a depot in Mt Evelyn to service a range of rural customers in the Yarra Valley.

In 2006 Petrogas went through a major transition when Paul Hawkins, with two other business partners, bought the business from Mobil and established Petrogas as a private and independent enterprise.

Over a two year period some substantial changes were made to the business to improve efficiencies and reduce costs. Fundamental to those changes was the implementation of a comprehensive Accpac solution that allowed Petrogas to integrate their front office processes with their back office operation.

The need for change

Prior to implementing Accpac, Petrogas was experiencing a number of issues that were impacting on the efficiency and productivity of the business. Paul Hawkins comments, "Previously, our workload was managed through a mixture of manual and automated systems. The old system was incapable of providing accurate and timely information, there was no clear upgrade path and it is was expensive as well as cumbersome to maintain."

In addition to the costs and inefficiencies of the old system, Petrogas found that trying to meet their regulatory compliance commitments was onerous. "The business was over staffed, where a number of employees were performing low value work that was not contributing anything to the efficiency or profitability of the business. Numerous tasks and functions within the business were managed manually, generating extensive administrative tasks for employees and consultants."

The solution

To solve their issues Petrogas went to market looking for a financial and accounting system that would be ideally suited for the fuel distribution industry. They chose Sage Accpac because it offered a industry specific solution that was competitively priced and built on current technology standards. "The seamless integration and interoperability of the different Accpac modules provided a level of comfort that the end result would require much less management, compared to other solutions", says Hawkins.

Petrogas implemented an integrated end-to-end solution that incorporated the following products into the core Accpac platform:



Sage Accpac ERP



Fuel Distribution for Accpac – including Scheduling/Dispatching module. Fuel Distribution for ACCPAC is a comprehensive application developed to meet the requirements of fuel distributors. The industry presents many unique and complex accounting issues, components of the Fuel Distribution solution include: Date-

based pricing engine, Temperature Control, Fuel card processing, Logistics including a fully integrated Onboard solution, Customer Web Portal and an online Web Store



Sage CRM - an entirely web deployed CRM application offering best practice marketing, sales and customer care capabilities.



Accpac Insight – a business intelligence tool to deliver better management reporting and forecasting.

The introduction of the new system had a major impact on the way Petrogas ran its business and how everyone within the organization performed their job. “One of the biggest issues in implementing the new system was having staff embrace the power of Accpac and Windows, after having used a character based system for so long”. Quite a bit of staff training and feedback was required to ensure they were comfortable with the new system and understood how it would make their jobs easier to perform. But once they were trained, the introduction of the new system delivered a significant range of benefits and improvements to the business.

Benefits

The integrated solution has given Petrogas a 360 degree view of their business, where everyone within the organization now has access to a single source of information. “We now run our entire business through Accpac. It has been a major step forward for us in terms of driving efficiencies and better management reporting through the organization. Everything in our business, from accounts payable and receivable to inventory, order entry, dispatch and scheduling is managed through the Accpac system”, says Hawkins.

Previously Petrogas had a full time dispatch person, whose job was to place work with drivers, and keep the wheels turning. That position is no longer in the business and the automation processes has cut it down to a part-time job. The new system has also greatly reduced the level of inaccuracies in the data maintained and has removed the need to perform jobs twice to ensure a particular task was done properly. With the e-commerce solution built on Iciniti orders are automatically processed via the Internet without Petrogas having to re-enter the data, where customers can download invoices/statements themselves.

The level of reporting offered by the system has allowed Petrogas to maintain high service standards with their customers while better tracking and managing costs within the business. “Accpac has provided a solid accounting platform that has increased data accuracy and improved core management information. The fuel industry specific modules have provided much more transparent management of key information.” Everyone within the organization is now far more productive and efficient in the job roles, where management and staff are better able to make more effective decisions based on accurate and relevant data.