

# SPECTRUM ART

Case Study

# Wholesale Art Distributor Saves \$10,000 per Year by Switching from NetSuite

## COMPANY PROFILE

SpectrumArt creates lithographs of original art and photography and sells the prints to framers and wholesalers that sell the finished artwork to department stores and other retailers. The company maintains relationships with a network of artists, who license their work for resale.

## CHALLENGE

The company was running a lean operation and needed to trim additional costs any way it could. The rising costs of the NetSuite subscription were too much for the shrinking company to bear.

## SOLUTION

Spectrum Art engaged SMB Suite to implement an integrated cloud-based solution with Microsoft Dynamics GP.

## BENEFITS

- Generate significant financial savings
- Unmatched service & support
- Easy-to-use & maintain
- Trusted and reliable brand built on Microsoft

## Business Needs

SpectrumArt Corporation built a business by keeping up with fast-moving trends in consumer tastes and interior design. But keeping up with steady declines in spending at both the wholesale and consumer levels has proven to be a more difficult challenge. Faced with plummeting sales in the wake of the recession, the company, which prints lithographs of original art and photography and sells in volume to wholesalers and framers, was already running a lean operation and needed to trim additional costs any way it could.

The three-person company had been using NetSuite for financial management and order processing. But as company Vice President, Maureen Hosey explains, the rising costs of the NetSuite subscription were too much for the shrinking company to bear. “Basically, they just got too expensive,” says Hosey. “When we first came on board, the NetSuite package was discounted enough that we could afford it. But the discounts were less and less each year, until we were finally priced out.”

Hosey set out to find a new financial management solution that could assist with order processing and fulfillment, generate invoices, calculate artists' commissions, and manage inventory at the company's physical warehouse location. She evaluated several alternatives before settling on Microsoft Dynamics GP, hosted by Microsoft partner NextCorp.

## Solution

SpectrumArt uses a hosted deployment of Microsoft Dynamics GP for core business management functions as well as to automate specific steps in their complex business-to-business sales model.

### Order Processing and Invoicing

When a customer browsing SpectrumArt's online catalog submits an order, Hosey checks availability of stock against existing inventory in Microsoft Dynamics GP, and then creates a sales order and picking list, which she sends to the warehouse for fulfillment. Warehouse staff packs and ships the orders and calculates the final shipping costs, which are added to the corresponding order before Hosey generates the final customer invoice in Microsoft Dynamics GP.

### Business Management

Spectrum Art also uses Microsoft Dynamics GP to keep track of its physical inventory— thousands

of prints stored in leased warehouse space. The reporting functions of Microsoft Dynamics GP enable SpectrumArt to track sales, generating sales reports for specific prints or customers and calculating commissions due to outside sales people on a monthly basis. Hosey also uses it to calculate payments due to artists and photographers, who receive a ten percent commission on the sales of their work.

“As soon as I realized there was a small business financial solution from Microsoft Dynamics, I stopped looking at the alternatives.”

- Maureen Hosey, Vice President,  
SpectrumArt Corporation

## Benefits

The cost savings alone have justified the switch from NetSuite to Microsoft Dynamics GP, but Hosey also cites the ease of

maintaining the hosted solution and her confidence in the Microsoft brand as additional benefits.

### **Cost savings.**

By switching from NetSuite to Microsoft Dynamics GP, SpectrumArt saves US\$200 per week in subscription costs. For a small business doing less than US\$500,000 in annual revenue, the US\$10,000 per year in reduced overhead can add more than 2 percent to the bottom line or make additional cash available for month-to-month operations.

### **Unmatched service and support.**

The hosted offering makes perfect sense for a lean operation like SpectrumArt, which doesn't have the resources to maintain sophisticated onsite IT infrastructure. Hosey cites the constant availability of the hosted Microsoft Dynamics GP solution—including support from NextCorp—as significant benefits. “I work at home,” she explains. “And sometimes my schedule is pretty erratic. When I'm working at 4:00 am and need help with something, they're there. If I have a problem, I just pick up the phone, and there's no longer a problem.”

### **Trusted brand.**

The availability of a business management

solution from Microsoft also appealed to Hosey, who relies on Windows 7, Microsoft Office Excel, and Microsoft Outlook to run other aspects of the company. “As soon as I realized there was a small business financial solution from Microsoft Dynamics, I stopped looking at the alternatives,” she says.

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