



Countrypet Naturals

www.countrypet.com



At A Glance:

- **Company:** Countrypet Naturals manufactures, distributes, and sells pet foods to businesses and individuals across the United States and Canada
- **Location:** Santa Monica, CA
- **Industry:** Manufacturing; Wholesale/Distribution
- **Challenges:**
 - Growth opportunities limited by manual or fragmented business processes
 - Distributed warehouses and manufacturing sites added complexity, risk of errors, and slowed order fulfillment
 - Manual order-entry processes made it difficult to leverage new customer channels with custom pricing
- **Software switched from:**
 - QuickBooks, MS Access, GoEmerchant
- **NetSuite Solution:**
 - NetSuite financials, CRM, ecommerce, advanced inventory
- **Results with NetSuite:**
 - Orders have increased by 10 times in seven years
 - Annual revenues have grown from \$500K to \$5 million, with Countrypet Naturals having to add just one new employee
 - Company has expanded markets to include new customer channels
 - Integrated order-to-shipment processes have eliminated errors due to manual data input.

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— Richard Osborne, Co-owner, Countrypet Naturals

Results

Since upgrading to NetSuite’s integrated business solution in 2002, Countrypet Naturals has increased its yearly revenues from \$500K to \$5 million, and has been able to handle this growth by adding just one new employee during that time.

The company is now attracting customers across all channels—large distributors, retailers, and individuals—because it simplifies order processing and offers custom-tailored pricing structures. “Our order-to-distribution processes are completely integrated, and they’re flexible enough to accommodate any type of customer,” says Countrypet Naturals Co-owner Richard Osborne.

“We let large distributors order and pay electronically, through EDI. We let retailers go through their own portal, so they can order any time of the day or night. We’ve got a Web store with credit card billing for individual customers,” he says. “And we avoid pricing conflicts because NetSuite manages our multi-tier price structures.”

At the same time, he says, “Our manufacturing is in New Zealand, and we have distribution, accounting, and customer service sites all over the US. NetSuite is the glue that keeps it all together.”

Challenges

Countrypet Naturals originally brought in NetSuite to integrate the company’s accounting processes in 2002. Countrypet had used a number of small-business applications, including QuickBooks, PC Anywhere, Microsoft Access, and GoEmerchant, and they were adding to, rather than solving, the company’s order, accounting, and distribution challenges.

“We were entering and re-entering data all the time,” says Osborne. “For example, an email order might come into one of our California offices, but the product would be shipped out of our Virginia warehouse,” he says. “We’d have to print the shipping labels in California, and then email them as a PDF file to the Virginia warehouse. You can see how it would be difficult to grow the business with a model like that.”

Since then, as NetSuite upgraded its software, Countrypet Naturals has created new business processes to take advantage of the new functionality. “Basically, our business

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runs around NetSuite, rather than vice versa,” says Osborne. “As NetSuite added functions, we improved our business by putting them into play.

“We’ve been fortunate to have good new demand for our products all along,” he says. “So our challenge was twofold—we wanted to find new markets, and then to handle the growth that we knew would come. NetSuite could help us do both things.”

Solution

When NetSuite released its NetCommerce module in 2004 Countrypet Naturals used it to expand its Website and integrate Web business with the NetSuite back-office software. This helped Countrypet Naturals approach larger customers—and serve its existing customer base more effectively.

“When you’re a small company, as we were, it’s hard to give big retailers and distributors the levels of service they expect,” says Osborne. “But NetSuite did just that. Now a retailer could place an order any time of day or night and get an immediate confirmation. When the order was shipped, they’d get a notification along with the tracking number and a link to the shipper. This helped us look organized and efficient, and it led to more business from the bigger retailers.”

Countrypet Naturals had a customer self-service portal for retailers, distributors, and, through a Web storefront, individual consumers to place and track their orders. Here, NetSuite helped the company implement multiple pricing structures.

“NetSuite performs margin analysis for us, so we can set different pricing structures for different customers,” says Osborne. “So when a customer comes into the portal, they see their own pricing structure. It’s great because it lets us handle customers of all types and volumes, any time of day. It’s so efficient that it only takes one employee to manage \$5 million in orders.”

Subsequent improvements to NetSuite modules have helped Countrypet add further efficiencies to the order-to-shipment processes.

“In 2008 we got the ability to print shipping labels directly from the CRM module,” Osborne says. “This was very helpful, because we’ve got warehouses in California, Virginia, and a shipping plant in Illinois, so we can keep the process streamlined even if products are shipping from different warehouses.”

The function, which today includes labels for UPS, FedEx, and USPS, was part of a regular CRM upgrade, says Osborne. “We didn’t have to pay extra for it,” he says. “That’s different from the way vendors have treated us in the past.”

In all, the NetSuite software lets Countrypet operate with just eight employees in the US, working out of seven different sites, including warehouses, an accounting office, and a home-based customer service person. “CRM helps us with customer service,” says Osborne. “For any customer call, we open what’s known as a case, and that lets us track the issue to resolution. Of course, we’re not getting many calls now that we’ve got NetSuite.”



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