

Success Story

Eye-opening financial visibility drives informed decisions

Powell's City of Books

“Sage Intacct has freed me up to look holistically at the business rather than just focusing on getting accounting tasks done. We have better, faster information and can do more analysis of our expenses and inventory to really understand our current situation and make better decisions for our future. Now, I'm helping the company look forward instead of only looking back at what's happened in the past.”

Kim Wegener

Director of Finance, Powell's city of Books



Company overview

Powell's City of Books is an independent bookseller serving Portland, Oregon, since 1971. The company has grown to employ over 530 people across five Portland-area stores and Powells.com, and its book inventory exceeds two million volumes. The Powell's City of Books mission is to be the world's best destination for readers.

Results with Sage Intacct

- Shortening the monthly close.
- Saving several hours on bank reconciliations and reporting.
- Improving gross margins through detailed visibility.
- Increasing finance team efficiency.

Sage

Company
Powell's City of Books

Location
Oregon, US

Industry
Retail

Sage Products
Sage Intacct

POWELL'S
CITY of BOOKS



After implementing Sage Intacct, the Powell's City of Books finance team eliminated much of their cumbersome data entry and Excel or paper-based work.

Moving multi-store financials and inventory to the cloud

Powell's City of Books in Portland, Oregon is one of the largest independent bookstores in the world, with an inventory of two million books across five locations. As the company prepared for its fifth decade, its leaders decided to upgrade their outdated on-premises business systems and move to the cloud for greater flexibility and scalability. After selecting BigCommerce for e-commerce and JASCI for inventory management, Powell's City of Books began the search for a new financial management solution that could easily integrate with these other systems.

"Our old accounting software had limited reporting capabilities and couldn't separate out individual stores to produce a full profit and loss statement for each location," said Kim Wegener, the director of finance at Powell's City of Books. "After looking at several options, we chose Sage Intacct because it has the flexibility to seamlessly connect to the inventory platform, which is a big piece of our puzzle, and it also makes it easy to extract the insights our business needs in order to be successful," Kim added.

The finance team chose Sage Intacct consulting partner Revolution Accounting to help with the implementation, because they wanted someone involved who had experience with the system and would also understand their specific business needs. "The team at Revolution helped us make the best decisions and set up Sage Intacct in the most efficient way right from the start," mentioned Kim.

Going from manual to automated financial processes

In just the first few months after implementing Sage Intacct, the Powell's City of Books finance team eliminated much of their cumbersome data entry and Excel or paper-based work. They appreciate the system's more intuitive workflows for tasks like bank statement balancing, daily sales activity journal entries, and the monthly close. In particular, they save several hours every month on bank reconciliations and have already sped up financial reporting cycles. With Sage Intacct capabilities like recurring transactions, Kim estimates the process of recording point of sales and e-commerce data every month is twice as fast.

Next up, Powell's City of Books plans to adopt Sage Intacct Purchasing for structured transaction and purchase approval workflows that will increase purchasing speed, accuracy, and efficiency. In addition, the team is integrating Sage Intacct with JASCI for even more time savings. Kim shared, "Having our inventory entries and adjustments entered automatically will certainly add to our productivity and save hours every month, while giving us better visibility into what's happening with our inventory."

The company also benefits from a single view of its financial data in Sage Intacct, rather than having to look between the accounting software, a separate reporting tool, and a third document management system for audit back-ups. Now, Kim can just go into a transaction and pull up its attachment to drill down into details as needed. And Sage Intacct's automated audit trails help her verify that journal entries are always done correctly.



Driving business decisions with granular gross margin insight

With the help of Sage Intacct consulting partner Revolution Accounting, Powell's City of Books developed helpful custom reports, and set up dimensions to capture the business context behind each transaction. The team uses Sage Intacct to slice and dice financial data by vendors, vendor types, customer types, sales channels, store locations, and more. As a result, they understand the company's revenue and expenses at a more granular level.

"We finally have the full picture for our Internet sales in one report and can differentiate between e-commerce and in-store purchases, which gives us the information we need to analyze the business," noted Kim. "Sage Intacct delivers more timely visibility into how profitable each store is, what people are buying when they walk into a store versus go online, and the true costs associated with each of those types of sales. Since we know which brick and mortar locations are making more money and why, it's clear what direction we should go for each store and how we need to model any new stores we may open down the road," Kim added.

Powell's City of Books also uses Sage Intacct to track operational metrics like unit sales, revenue per linear foot of shelves, as well as internet cost of goods (including freight fees and shipping material). With more detailed breakdowns, managers' eyes are opening to unexpected insights about the business, and they're finding ways to optimize operations. For instance, they're improving negotiations with freight vendors now that they know this aspect of the Internet business is not as profitable as once assumed, and buying gift merchandise in larger volumes to improve gross margins. According to Kim, "More than one manager has commented on how valuable our data in Sage Intacct is, with comments like 'I had no idea that cost us so much money.'"

