

## Sage 100 ERP Helps Overlake Oil Remain “All in the Family”

Overlake Oil in Kirkland, Washington, is in its fifty-second year of business and third generation of family ownership. Founded by Harry Wright in 1947, Overlake has been a Shell affiliate since 1961, distributing Shell fuel and lubricants to commercial, industrial, and manufacturing companies.

Steve Merrill, vice president, joined Overlake Oil in 1982. Several years later, Steve and his brother-in-law, Jim Jessen, began managing the business on their own.

### Reconfiguring Systems

“We soon realized that demand for home furnace oil was rapidly declining,” Merrill recalls. “There was also a trend away from private underground fuel tanks because of environmental concerns. Our markets were changing, and we had to respond.”

Adopting the latest technology was part of the answer. In 1982, Overlake Oil computerized its business operations, installing a UNIX-based system. By 1988, it had outgrown it and had to upgrade. At that point, Overlake chose to implement Sage 100 ERP\* on a Novell network, customized for the petroleum industry by Steve Murphy at DM2 Software.

Murphy had experience with both computer programming and the petroleum industry. He knew that the software programs available at that time could not provide a satisfactory system that accommodated both accounting functions and the special needs of the industry.

Instead of starting from scratch to develop his own integrated accounting/petroleum package, Murphy decided to seek an existing accounting package and add his own petroleum component onto it.

### A Perfect Partnership

Murphy soon discovered that Sage 100 ERP met his criteria for flexibility and ease of use. Sage, the developer of Sage 100 ERP, and his company, DM2 Software, subsequently entered into a vertical market partnership. DM2 Software develops customized modules for the petroleum industry that seamlessly interface with Sage 100 ERP, providing a powerful package that offers petroleum distributors numerous business management advantages.

\*Sage 100 ERP was named Sage ERP MAS 90 when Overlake Oil initially implemented this solution. The product names have been updated in this case study to reflect current naming.

### Customer

**Overlake Oil**

### Industry

Distributor of lubricants and card lock fuels

### Location

Kirkland, Washington

### Number of Locations

One

### Number of Employees

13

### System

#### Sage 100 Standard ERP

- Accounts Payable
- Accounts Receivable
- Bank Reconciliation
- Custom Office
- General Ledger
- Inventory Management
- Purchase Order
- Sage Fixed Assets
- Sales Order

#### Vertical Modules

- Card Lock
- Fuel Tax Accounting

### Challenge

Find an accounting package with the flexibility to seamlessly integrate with custom petroleum industry software.

### Solution

Sage 100 ERP with DM2's vertical modules.

### Results

Easy interface with Microsoft® Word, Excel®, and the Internet; expanded user access; supported growth without requiring more staff; streamlined integration from sales orders and inventory to back-office accounting.

Overlake Oil installed its most recent upgrade of Sage 100 ERP in 1998. “We wanted more people to have access to the system and to be able to interface with Word, Excel, and the Internet,” Merrill said. “Sage 100 ERP with the DM2 modules has allowed us to accomplish, with only a few employees, what would otherwise require a lot of people. It’s been a key building block of our growth.”

The Sales Order module with DM2 modifications is the linchpin of Overlake Oil’s Sage 100 ERP system. When a customer calls in an order, the request is entered into the Sales Order module, a notice sent out to the delivery truck, an invoice generated, inventory relieved, and the general ledger updated. Reports and details on the customers, vendors, and inventory are always only a few keystrokes away.

Another key component for Overlake Oil is the Fuel Tax module. Since every state and locality has its own tax rate, and the price of fuel can change more than once a day, the Fuel Tax module is critical for keeping track of and accurately billing the differing rates. If an order is placed today and delivered next week, the billing may need to be updated to reflect a new price. Sage 100 ERP monitors this activity and modifies invoices accordingly.

The third and possibly most critical module for Overlake Oil is the Card Lock module. Card Lock might be compared to a bank credit card. Cards are issued by individual companies, such as Overlake Oil, but customers are not limited to obtaining fuel at only one location. They can insert the card and fuel up at any of the hundreds of sites around the country affiliated with Pacific Pride network. However, they are invoiced for all transactions by the company that issued their card.

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Overlake Oil has more than 500 accounts that use the Pacific Pride network. Thousands of transactions are invoiced twice each month. As a result of the Card Lock module’s seamless interface with the network, Overlake Oil is able to calculate relevant costs for payments to the network and percentage markups for invoicing to its customers.

“Sage 100 ERP with the DM2 modules is ultimately flexible,” Merrill says. “We can customize each account, calculate real costs by monitoring price fluctuations, and both pay our bills and invoice in one powerful, easy-to-use system. We couldn’t be where we are today without it.”

### About Sage

Sage North America is part of The Sage Group plc, a leading global supplier of business management software and services. At Sage, we live and breathe business every day. We are passionate about helping our customers achieve their ambitions. Our range of business software and services is continually evolving as we innovate to answer our customers’ needs. Our solutions support accounting, operations, customer relationship management, human resources, time tracking, merchant services, and the specialized needs of the construction, distribution, manufacturing, nonprofit, and real estate industries. The Sage Group plc, formed in 1981, was floated on the London Stock Exchange in 1989 and now employs 12,300 people and supports more than 6 million customers worldwide. For more information, please visit the website at [www.SageNorthAmerica.com](http://www.SageNorthAmerica.com) or call 866-996-7243. Follow Sage North America on Facebook at: <http://www.facebook.com/SageNorthAmerica> and Twitter at: <http://twitter.com/#!/sagenamerica>.