SAGE ACCPAC

CUSTOMER SUCCESS STORY

CUSTOMER
Club One, Inc.

INDUSTRY
Amusement & Recreation

LOCATION
San Francisco, California

Number of Locations
Health Clubs-14 owned &
operated; 70 managed contracts

Number of Employees
1,500

SYSTEM
Sage Accpac ERP
Sage Accpac CRM
Sage Accpac Insight

Modules in Operation
- System Manager
- General Ledger
- Accounts Receivable
- Accounts Payable
- Inventory Control
- Order Entry

Your business in mind.

Club One Uses Sage Accpac to Strengthen Accounting Consolidation

Club One is a 15-year old club company that owns and operates 14 large fitness clubs throughout northern and southern California. Its Commercial division focuses on customer service, and promoting fitness as a lifestyle. About five years ago, Club One acquired a related business, and opened its ProServices division that designs, develops, and operates clubs for employees of prominent U.S. corporations.

The accounting system used by ProServices was separate from that of the Commercial division. This became a problem as ProServices grew from 20 to 70 employee clubs, which Club One ran as separate managed contract sites. Since the employee clubs were owned by different corporations, Club One found itself having to manage 70 different companies.

Club One's Accounting department had no access to ProServices' cash position on a daily basis, which eventually grew to 30 percent of the company's revenue. To solve the problem, Club One drew on the strength Sage Accpac ERP to consolidate the systems.

Accounting Muscle Building Up for Integration With Sage Accpac CRM

"We needed one system with a unified reporting structure, that still met the needs of each of the divisions," says Carey White, Club One CFO. "I also wanted to eventually integrate with the club management system; an industry-specialized piece based on Sage Accpac CRM. So we chose Sage Accpac. I knew from previous experience that the software was extremely reliable; extremely robust; had a full set of functionalities and capabilities."

"Next, we selected the Sage Accpac business partner with the help of a consultant who recommended a particular

CHALLENGE	SOLUTION	RESULTS
Since multiple accounting systems were being used to conduct two different businesses, they wanted to combine all business operations under one accounting system.	A flexible and powerful accounting system with a unified reporting structure that still meets the needs of each division.	One general ledger, a standardized reporting structure with no reporting ambiguity, and a much stronger company.

ABOUT SAGE SOFTWARE

Sage Software has been responding to the needs, challenges, and dreams of small and midsized businesses for over 25 years. With a complete range of business management solutions and services, Sage Software helps companies improve customer relationships, reduce costs, and automate and integrate a variety of operational activities. Its solutions support the specialty needs of a broad scope of industry segments, including manufacturing, distribution, construction, real estate, nonprofit, and professional services.

integrator with the ability to get what I was talking about done quickly. The goal was to have one general ledger. The Sage Software business partner helped us design it so that both divisions can have units in that same general ledger that are consolidated and units that are not. Sage Accpac ERP and Sage Accpac Insight give us the flexibility to design a very unusual business model, and put it into one place to get reporting out of it."

Two-Phase Rollout Without Breaking a Sweat

"I believe good systems implementation projects can be done in about 90 days from the time you select the system. I was very confident that we could do that with Sage Accpac. The implementation was in two phases. The owned-club business was first, well within 90 days. We waited two months to better understand the managed contract business and then brought it up."

A Firm Grip Over Both Divisions

Comptroller Bonnie Wheatley recalls, "From a corporate POV having ProServices on a separate accounting system wasn't a big deal when the division was really small, but it soon grew. I couldn't see what was going on except at month-end close, when they loaded all of their information into our general ledger system. I couldn't see their accounts receivables, which were a significant amount every month."

"Now, that we're on the one Sage Accpac system, I can look at the Accounts Receivable Aging, see if a certain client has a big balance, and contact whoever is responsible for collecting it. Before I couldn't do that."

ProServices has a different compensation arrangement with each of the owner companies for running their clubs. Normally, each would have had a different database, but that would have been

counterproductive. The Sage Software business partner linked Sage Accpac Insight with a third-party application so that all inter-company transactions are seamless, automatically generated, and remain balanced.

Weight of Reporting Ambiguity Lifted

Because Sage Accpac is the core accounting application, Club One is able to use Sage Accpac Insight to do complex reporting that takes advantage of its single-data warehouse database multi-company model. Reports can be output by company, specially created report groups, and custom account classifications with standardized reporting structure, which is something Club One did not have before.

Prior to Sage Accpac, Club One had been using an accounting system that required an Oracle database. The software supported multiple reporting models, so when managers pulled off their own reports, they were never sure how the accounts were rolling up, and what those amounts really meant.

"There was too much ease of access," says Bonnie Wheatley. "People would create their own reports and reach the wrong conclusions." Sage Accpac Insight eliminated the ambiguity of multiple data reporting feeds while unifying the reporting model, and yet gave them drill-down capability and the ability to do complex roll-ups.