When the economy started slowing down in November 2008, the founders of Vecmar Computer Solutions, a computer products reseller headquartered in Cleveland, Ohio, just thought the company was in for a rough month. But as Phil Pagon, one of the founders, recalls, “We quickly realized that we were in an economic recession that was trickling down to small businesses like ours. We knew we had to adapt if we were going to survive.”

Adapt Vecmar did. The 20-person company quickly enhanced its product line and support services, increased its marketing efforts, and turned to longtime transportation and logistics partner, UPS, to deploy technology to help drive operational efficiency in its shipping and returns process. The result: Vecmar has emerged from the recession well positioned to drive revenue growth in the coming years.

**CHALLENGE: SURVIVING AN ECONOMIC DOWNTURN IN AMERICA’S HEARTLAND**

Founded in 1990, Vecmar Computer Solutions serves customers in the U.S. and Canada. The company specializes in the resale of thin client terminals, servers and business printers. Vecmar also provides digital check imaging equipment and fulfillment services to the banking and payments industries.
SEE CLEARER.  
WORK SMARTER.  
SERVE BETTER.  

What if you could see every shipment in your supply chain at once? What if you could automate shipping, billing and returns? What if you could give customers answers before they ask questions? You can. UPS technology makes that—and more—possible.

UPS WorldShip®
Create package, LTL freight, and air freight shipments using a single application. Connect your order entry and accounting systems to WorldShip to speed order processing time and reduce errors. You can even share critical information throughout your organization with just a few clicks.

UPS Freight® LTL
Count on us for all your regional, interregional, and long-haul LTL shipping needs. Our comprehensive cross-border service to Canada and Mexico is complemented by offshore capabilities to Alaska and Hawaii, as well as Puerto Rico, the U.S. Virgin Islands and Guam.

UPS Authorized Return Service®
Provides for the easy return of UPS-compatible packages. Preprinted return labels are provided to the shipper by UPS. Simply include the label with an outbound shipment or distribute separately to customers.

Approximately 75 percent of the products Vecmar sells are new, but 25 percent are refurbished and repaired. The company performs upgrades for customers who have older models to trade in and continues to support models that are discontinued.

“We differentiate ourselves through personal support,” said Pagon. “When our customers call for technical support, a person answers the phone — not a machine.”

When the recession hit, Vecmar quickly mapped out a strategy that enabled it to cut costs and run more efficiently, but the company also pinpointed ways to increase marketing and drive alternative revenue streams.

For example, Vecmar identified additional products to add to its portfolio and grew its product offerings from several thousand to 100,000. “If you buy a WYSE thin client, you also need a flat panel display,” explains Pagon. “Before the recession, we wouldn’t offer the flat panel display, now we do.”

Vecmar also worked with manufacturers to ensure its technical support team was well trained and knowledgeable on the new additions to its portfolio, ensuring that the company could continue to provide the personal support its customers expect and value.

SOLUTION: USING UPS TECHNOLOGY TO SAVE TIME AND MONEY
UPS has been Vecmar’s carrier of choice since the beginning. UPS’s flexible package pickup options, ease-of-billing and ground transportation services to Puerto Rico, Hawaii and Alaska, have been important factors over the years.

The breadth of UPS’s transportation services has also proved useful. “When we have a large, single-customer order — such as 150 units or more — it’s often more economical to palletize them and ship via freight,” said Pagon. For those situations, Vecmar utilizes UPS Freight® LTL (less-than-truckload) services.

Reverse logistics is a critical part of Vecmar’s business. The company uses UPS Authorized Return Service® (ARS) to facilitate equipment returns. ARS enables the shipper to supply a shipping label to the recipient to facilitate the return of goods.

One of the operational changes Vecmar made was implementing UPS WorldShip®, a desktop shipping system that enabled Vecmar to automate the shipping process. With WorldShip, Vecmar can easily email ARS labels to customers.

“Now that we use WorldShip, we perform the entire shipping process in less than 10 minutes, instead of an hour,” said Pagon. “WorldShip also retains a customer’s shipping history so with return customers, processing becomes even quicker.”

According to Pagon, simply by saving one hour per day, employees have more time to concentrate on customer support, sales and growing the business. “WorldShip saved us time and that saves us money. Customers are a lot happier now,” he said.

Currently, Vecmar is running WorldShip as a separate application but plans to integrate it with their other business systems next year, a process the company expects will further streamline its operations.

“Twenty years ago, UPS was the best choice, and over the years, UPS has continued to bring out new technology and services to remain competitive,” Pagon said.