



# NEXTSTEP – Bringing Technology to Agriculture

## A MAS 90® Accounting Solution

**“MAS 90 is a very user-friendly system—it’s easy to get the information we need.”**

Client Profile

On a mid-summer morning, in a rural hamlet in South-Central Pennsylvania, the day begins as it has for centuries. The farmers rise early to tend their animals, the milking begins, grain is scattered for the hens, and somewhere a rooster crows. At Longenecker’s Hatchery of Elizabethtown, the day also begins like most others. Since 1919, family-owned Longenecker’s Hatchery, Inc. has been carefully hatching chicks to be sent to specialty growers throughout Pennsylvania.

Not all remains unchanged, however. During the early years, the hatchery produced a few hundred thousand chicks a year, and hatching was only possible during the spring and summer months. Through technological advances in the 1930’s, the hatchery began to hatch chicks year-round. In 2001, Longenecker’s added a second state-of-the-art hatchery and now produces 700,000 chicks a week.

Longenecker’s contracts with local family farmers to produce fertile eggs. The farmer is provided a flock of chickens complete with an eager rooster, and each day of the week, Longenecker’s trucks visit the farmers and collect the fruits of their labor. The eggs are counted, sorted and placed quickly into temperature-controlled incubators. Precisely three weeks later, healthy chicks emerge. The newly-hatched chicks travel to area farms, where they are raised until ready for production. Once mature, they are sold to Longenecker’s customers, large

producers offering top-of-the-line natural, organic, or kosher broilers to the specialty-chicken market.

### Hatching A Plan

By its own admission, the agriculture industry has never been considered “early adopters” of computer technology, and Longenecker’s is no exception. In 1992, the company’s single desktop computer was shared by three employees, and all accounting was recorded in paper ledgers. The secretary was producing the aged receivables report on a typewriter. Orders were written out by hand. Seemingly straightforward tasks like reconciling the corporate bank account took hours. They



MAS 90 helps monitor this efficient operation and produces the critical data that help Longenecker Hatchery control costs

knew they needed to embrace technology to make their operations more efficient.

Simon Lever & Company is the accounting firm for Longenecker’s. NextStep, the technology consulting division of the accounting firm, proposed a five-workstation network running MAS 90. Tom Zinn, Longenecker’s controller, explains why the company felt they must

move on the proposal: “In today’s agricultural environment, it is imperative to use technology in order to stay competitive. Our sales price per chick is approximately the same as it was 50 years ago. The only way to keep our costs down and still be successful is to use current technology—both in the hatchery and in the office.”

Zinn had used MAS 90 at a previous job and knew its capabilities, and thus became a valuable member of the conversion team. In addition to the network and MAS 90 software, NextStep configured a backup

system for the company, and trained staff in proper backup procedures. "NextStep gave us the tools we needed to be more efficient," says Zinn.

### Counting Your Chickens

Customers' orders for chicks are entered into the Sales Order module. Three copies of each order are printed, with one going to the customer, one to the egg-producing farmer, and one remaining in-house. When the chicks are ready to be delivered, a Packing List is printed, and sent with the driver. Orders are not invoiced until a signed copy of the Packing List is returned to the office, so any losses occurring in transport can be accounted for.

The Accounts Payable module is used to record invoices for the egg-producing farmers, who receive incentives for increasing their production. The full complement of standard payables reports simplifies the accounting process, with a significant time savings over their old, manual system.

The staff has enjoyed the efficiency MAS 90 brings to each operation, saving valuable time and enabling them to focus on the continued production of healthy, high quality chicks. "Reconciling our bank statement now takes me five minutes, instead of five hours!" reports Zinn.

MAS 90's Payroll module performs flawlessly, generating payroll checks or direct deposit transactions for Longenecker's 59 employees. Executive payroll for salaried employees is handled by Simon Lever's Payroll Services department.

### Reports To Crow About

MAS 90's capabilities opened up the potential for more automation. Custom reports written by NextStep's staff allow Longenecker's to export MAS 90 data to an Access database, where forecasting and feed-cost calculations are performed. Each month, after studying the production reports and analyzing feed prices, Longenecker's de-

termines their chick cost and an adjustment is made to the MAS 90 General Ledger inventory account. "MAS 90 is a very user-friendly system," says Zinn, "I'm not terribly adept with computers, but MAS 90 makes it easy to get the information we need."

Zinn is impressed with the wide variety of standard reports available within MAS 90, and the number of selection and sort options available. As is true in any industry, keeping a close eye on receivables is crucial. Reports run weekly aid staff members in analyzing which customers may need a gentle reminder in the form of a statement or a telephone call.



Operational information is critical; custom MAS 90 Crystal reports meet the challenge

The critical nature of cost control in this industry, known for slim margins, cannot be underestimated, so containing costs and increasing efficiency are key to profitability. The consultants at NextStep designed several Crystal reports offering valuable insights into the data, such as the number of eggs and chicks sold, serviced, and delivered. Additional Crystal reports analyze the fees paid to the egg producers, as well as overhead, labor, and feed costs to determine the overall profitability of the organization period-by-period and year-by-year.

### NextStep, MAS 90, And Longenecker's—A Decade of Success

With over a decade of experience with MAS 90, Longenecker's staff is now able to answer many of their own software questions internally. But they know NextStep's professional consultants are standing by when they need them. When Zinn inadvertently deleted a critical file, blocking users' access to MAS 90, NextStep's consultants were able to guide him through restoring the file over the phone. Business was up and running again in no time.

MAS 90 and NextStep provide Longenecker's Hatchery with the technology they need to evolve with the times, improving their efficiency and *ensuring success for decades to come.*

**H**eadquartered in Lancaster, Pennsylvania, our firm has specialized in MAS 90 and MAS 200 by Best Software since 1989.

Our extensive experience, exceptional service, and broad expertise assure you of our ability to solve even the toughest business problems.

If you would like to fine-tune your firm's approach to accounting, we would like to talk with you and see if MAS 90 is the right solution for you.



444 Murry Hill Circle • Lancaster, PA 17601

(717) 519-1200 • fax (717) 569-7313

info@NextStepTA.com • www.NextStepTA.com