Exactor
Client Success Story

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SECURITY

Client's Name:
NextGen Security

Client's Business Profile:
Founded in November of 2012, NextGen is a fast growing electronic security systems integrator. NextGen's clients include organizations in petrochemicals, energy, food manufacturing, healthcare, education and pharmaceuticals. From consultation, design and product procurement to implementation, training and maintenance, NextGen provides a comprehensive security solution.

Client's Business Challenge:
When NextGen launched, the goal was to "get off the ground quickly" according to Dwight Smith, one of five principle partners and Head of Business Operations at NextGen. However, Smith realized that the startup was not equipped to handle sales tax registration and processing in the multitude of states and counties where the company planned to resell products and provide bundled services. NextGen would have to navigate complex and often subjective regulations on which products and services could be taxed and where. In addition, sales tax rate fluctuations on a state, local, and site-specific level could further complicate NextGen's efforts to remain compliant.

As a former VP of Operations at Khameleon Software, an ERP provider, Smith had helped design an interface with Exactor to leverage the company's expertise in sales tax compliance. "I knew off the bat that we'd need a solution like Exactor to grow rapidly yet remain compliant," said Smith. NextGen chose sales tax automation using the Exactor sales and use tax software. The implementation process took just one day. Exactor's certification with the Streamlined Sales Tax (SST) organization saved NextGen from completing a long tax registration process in individual states.

Outcome:

Today, Exactor provides NextGen with an end-to-end sales and use tax solution for compliance in 30 states. NextGen's team uses Exactor to generate quotes and invoices confidently, knowing their sales tax will be accurate. According to Smith, this accuracy "ensures a smooth invoicing process and timely payments from clients. " While it would normally take 15 minutes to calculate sales tax for a single quote or invoice, Exactor reduces this process to seconds. At a company that sends out 80 to 120 quotes and invoices per month, the time saves is substantial. Exactor also automates the sales tax filing process, ensuring the company meets deadlines and avoids penalties.

"Exactor saves us an entire man-week per month," said Smith. "Without Exactor, we would have had to hire additional staff members."

In just one year, NextGen generated more than $10 million in revenue. According to Smith, Exactor provided the scalability NextGen needed to expand rapidly into new states and tax jurisdictions. *"Whether we're in 10 states or 50, we would not have noticed a difference. Exactor worked seamlessly in the background so we could focus on growth."*