

Rentpro

Rental Purchase Software

Preparing for Installation

Expect to allow two days for the installation of one store system. Both days will involve technical services to setup the software on the computer as well as software training. Please designate one person who will be your computer operations manager. The computer operations manager can be an owner, or a district manager, or a store manager, depending on how large your company is. He should be a trusted individual who can make decisions about how the computer software should be configured, including establishing security protocols for your rental operations. Remember that a computer not only facilitates making it easy and fast to conduct business, but also it allows establishing controls which aid in cutting down on employee negligence and theft. The computer operations manager will be educated in how these controls are established. Additional individuals may sit in on the training and setup procedures, but we would appreciate having one person who is expected to devote their full attention during the installation process, someone we would call with concerns or questions about how we have setup your software. Some companies desire a training session that all their employees can sit in on. Such a training session should be scheduled during the afternoon of the last day of installation. A typical training session can be done in one hour, but you may want to allow two hours to accommodate extensive questions, especially if there are a number of people being trained.

The installation process will involve the following steps:

- Copying the Rentpro computer program files to your computer.
- Configuring the hundreds of options in the software to conform to the way that you do business. For example, setting up the tax methods and rates, setting up how late fees are calculated, setting up custom delinquency periods, setting up how damage waiver fees are calculated, etc.
- Entering inventory and agreement information into the system.
- Training on how to use the software.
- Fine tuning configuration settings based upon observations and conversations that occur during training.
- If time allows, more data entry of inventory and agreement information may be done.

Prior to our installation, you should compile and organize the information concerning existing inventory and agreements. If you are being electronically converted from another system, you should simply print out certain reports that might allow you to spot check that the data was converted successfully. If you are currently on a manual system, then it will be especially important that you organize your information in a way that will facilitate entering the information into the computer. Following are steps that will aid you in that process.

Category Codes

Rentpro allows establishing product lines to aid organizing information on reports in meaningful ways. Each product line is also called a category, and Rentpro uses two character category codes to distinguish inventory items. Following is a sample of how category codes might look:

AW WASHER	T3 TV-13 INCH	V2 VCR 2 HEAD
AD DRYER	T9 TV-19 INCH	V4 VCR 4 HEAD
AR REFRIGERATOR	T5 TV-25 INCH	VS VCR STEREO
AF FREEZER	T7 TV-27 INCH	VZ VCR-MISC.
AM MICROWAVE	TB TV-BIG SCREEN	
AC AIR CONDITIONER	TC TV-VCR COMBO	
AV VACUUM	TZ TV-MISC.	
AZ APPLIANCE MISC.		
EC CAMCORDER	FL LIVING ROOM	-G VIDEO GAMES
ES STEREO SYSTEM	FS BEDROOM SUITE	-T VIDEO TAPES
ED CD PLAYER	FD DINING SET	-Z ACCESSORIES
ET TURN TABLE	FB BEDROOM	MISC.
ER RADIO/CASSETTE	FC CHAIRS	
EZ ELECTRONICS MISC.	FO ROCKERS	
	FR RECLINERS	
	FT TABLES	
	FK DESKS	
	FF FILE CABINETS	
	FP LAMPS	
	FZ FURNITURE MISC.	

In this example, the rental company divided the categories into 6 groupings. Each grouping is designated by the first letter of the category code. In this example, "A" is used for appliances, "T" is used for televisions, "V" is used for video tape recorders, "E" is used for electronics, "F" is used for furniture, and "-" is used for a miscellaneous grouping. The hyphen "-" has a special meaning to Rentpro, which is to designate categories which should not be counted as BOR (Balance On Rent). Some rental dealers have items which they do not want considered in the BOR statistic. If you have such items, designate them in a product category whose code starts with a hyphen (-).

Your first step for getting information about your inventory is to develop a category code scheme similar to the one above. You simply establish a list of arbitrary descriptions 20 characters or less in length linked with a two character category code made up by you. Most users establish about 40 categories. However, many users will establish only a little more than a dozen categories, while others might have as many as 80. Rentpro does not allow more than 80 categories. It is recommended that you only establish enough categories that are meaningful to you. There are many ways to run reports that key in on other inventory fields for detailed analysis. The category codes are primarily for daily summary information to quickly check the availability of certain product lines and for quickly checking how many are renting for you. Keep in mind that larger grouping will be subtotaled on your daily reports. For example, in the

example above, the daily report would total numbers for how many appliances are on rent, idle, etc. as well as totaling for electronics, furniture, etc. Some other groupings used by rental companies include "C" for communications (pagers, cellular phones, etc.), "J" for Jewelry, "L" for lawn and garden, and "T" for tools. Keep in mind that although it is not impossible to change category codes after entering inventory, it might be difficult. A little foresight now in planning how you want to organize the information about your rental items will go a long way toward smoother paths ahead. So please have available for our installer a list of category codes which you feel would be appropriate for your rental company. Remember that you cannot have more than 80 categories, each category description cannot exceed 20 characters in length, and each code should be 2 characters. Remember also that the first letter of each code designates a larger group. Therefore, you should not have one category with a unique first letter for the category code. Feel free to call us with any questions you might have about this.

Following is an example of how the category codes become useful in your operating reports. The daily operating report shows the current number of inventory in the various statuses of being on rent, idle (available to rent), in service, etc. Keep in mind that more detailed reports also may be printed that further break down the inventory **within** these categories. The category codes are meant to create a high level picture of the disposition of your inventory.

INVENTORY SUMMARY	On Rent	On Loan	Idle	In Service	On Floor	Paid Out	Sold	Disposed	Transferred	Theft
AIR CONDITIONER	1	0	2	0	0	0	0	0	0	0
DRYER	3	0	22	0	0	0	0	0	0	0
FREEZER	3	0	11	0	0	0	0	0	0	0
HEATER	0	0	0	0	0	0	0	0	0	0
DISHWASHER	0	0	0	0	0	0	0	0	0	0
MICROWAVE	0	0	0	0	0	0	0	0	0	0
PRESS/SEWING MCHN	0	0	0	0	0	0	0	0	0	0
REFRIGERATOR	1	0	6	0	0	0	0	0	0	0
STOVE/RANGE	1	0	3	0	0	0	0	0	0	0
VACUUM CLEANER	0	0	2	0	0	1	0	0	0	0
WASHER	2	0	18	0	0	0	0	0	0	0
STACKED WASHER/DRYER	0	0	4	0	0	0	0	0	0	0
MISC. APPLIANCE	0	0	0	0	0	0	0	0	0	0
Subtotal (13):	11	0	68	0	0	1	0	0	0	0
<hr/>										
AIRTIME	5	0	994	0	0	0	1	0	0	0
CELLULAR PHONE	0	0	3	0	0	0	0	0	0	0
PAGER	0	0	4	0	0	0	0	0	0	0
MISC. COMMUNICATION	0	0	0	0	0	0	0	0	0	0
Subtotal (4):	5	0	1001	0	0	0	1	0	0	0
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COMPUTER	0	0	0	0	0	0	0	0	0	0
CD PLAYER	1	0	2	0	0	0	0	0	0	0
CDI	0	0	0	0	0	0	0	0	0	0
SPEAKER	1	0	8	0	0	0	0	0	0	0
STEREO	0	0	4	0	0	0	0	0	0	0
MISC. ELECTRONICS	0	0	1	0	0	0	0	0	0	0
Subtotal (6):	2	0	15	0	0	0	0	0	0	0
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2PCLIVINGROOM	1	0	2	0	0	0	0	0	0	0
3PCLIVINGROOM	0	0	6	0	0	0	0	0	0	0
CABINET	1	0	10	0	0	0	0	0	0	0
BEDROOM	1	0	26	0	0	0	0	0	0	0
CHEST	0	0	3	0	0	0	0	0	0	0
4/6CHAIRDINETTE	0	0	0	0	0	0	0	0	0	0
SLEEPER SOFA	2	0	2	0	0	0	0	0	0	3
C-CAB	0	0	3	0	0	0	0	0	0	0
LAMP	0	0	5	0	0	0	1	0	0	0
MATTRESS/BOXSPRG	0	0	6	0	0	0	0	0	0	0
SOFA TABLE	2	0	1	0	0	0	0	0	0	0
ROCKER RECLINER	0	0	3	0	0	0	0	0	0	0
SECTIONAL	1	0	5	0	0	0	0	0	0	0
3PCTABLE	2	0	1	0	0	1	0	0	0	0
BUNK BED	0	0	5	0	0	0	0	0	0	0
MISC. FURNITURE	1	0	9	0	0	0	0	0	0	0
Subtotal (16):	11	0	87	0	0	1	1	0	0	3
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BRACELET	2	0	3	0	0	1	0	0	0	0
CHARM	0	0	1	0	0	1	0	0	0	0
EARRING	0	0	2	0	0	0	0	0	0	0
NECKLACE	0	0	0	0	0	0	0	0	0	0
PENDANT CHAIN	0	0	2	0	0	0	0	0	0	0
RING	0	0	6	0	0	0	0	0	0	0
WATCH	1	0	5	0	0	0	0	0	0	0

MISC. JEWELRY	0	0	0	0	0	0	0	0	0	0
Subtotal (8):	3	0	19	0	0	2	0	0	0	0
AIR COMPRESSOR	0	0	3	0	0	0	0	0	0	0
GO-CART	0	0	0	0	0	0	0	0	0	0
EXERCISE EQUIPMENT	2	0	3	0	0	0	0	0	0	0
GAS GRILL	0	0	1	0	0	0	0	0	0	0
TILLER	0	0	0	0	0	0	0	0	0	0
MOWER	1	0	4	0	0	0	0	0	0	0
PATIO FURNITURE	0	0	0	0	0	0	0	0	0	0
TIRE	0	0	0	0	0	0	0	0	0	0
TOOL	0	0	2	0	0	0	0	0	0	0
WEED EATER	0	0	0	0	0	0	0	0	0	0
MISC. LAWN/GARDEN	4	0	9	0	0	0	1	0	0	0
Subtotal (11):	7	0	22	0	0	0	1	0	0	0
13 INCH TV	0	0	0	0	0	0	0	0	0	0
25 INCH TV	12	0	15	0	0	0	0	0	0	0
27 INCH TV	3	0	5	0	0	0	0	0	0	0
19 INCH TV	1	0	2	0	0	0	0	0	0	0
CAMCORDER	2	0	6	0	0	0	0	0	0	0
LARGE SCREEN TV	6	0	12	0	0	0	5	0	0	0
COMBO TV/VCR	4	0	6	0	0	0	0	0	1	0
VCR	3	0	22	0	0	0	0	0	0	0
MISC. TV/VCR	0	0	0	0	0	0	0	0	0	0
Subtotal (9):	31	0	68	0	0	0	5	0	1	0
GrandTotal (67):	70	0	1280	0	0	4	8	0	1	3
	5.2%	0.0%	94.8%	0.0%	0.0%					
	C	L	I	S	F	O	B	D	T	P
	On Rent	Loan	Idle	Service	Floor	Paid Out	Sold	Disposed	Transferred	Theft

Total BOR (Agrmt Statuses A,H,S,K): 70 Units 58 Agreements

Net BOR (Agrmt Statuses of A,S): 70 Units 58 Agreements

SKU Rate Control Numbers

Rentpro has an SKU rate control system for two reasons. One reason is that it makes entering inventory items easier. A 7 character code links to product line and rental rate information that can quickly be transferred to the inventory record. This saves a lot of time on typing duplicate information. A second reason for SKU numbers is that it offers a multi-tiered security system. High level people, such as owners, can be the only ones allowed access to the SKU file. Such a person would then establish rental rates and retail prices. A second security level would allow other employees to override the rates established by the SKU, but such overrides would be accompanied by an audit report showing the exception. Lowest level personnel would only be allowed to increase rates but not to decrease them.

These advanced features do not come without a price. The SKU file must be established before inventory may be added. Therefore, in preparing for installation, you also need to devise an SKU numbering system for your current inventory. SKU's may be easily added and amended later on, but some kind of system should be in place to make future additions easy. Most rental companies establish around 450 SKU numbers. While this might entail quite a bit of work, you need to keep in mind that the added control and easy and speedy entry of inventory later make it worthwhile. If rate control is not an issue for your company, you can simply establish one SKU for each product category. The rental rates can be overridden at the time an agreement is established.

SKU numbers may be from one to seven characters. They may be numbers, letters, or a combination of both, but they should not contain spaces. Some users simply use arbitrary numbers, such as 101, 102, etc. Most, however, use a mnemonic scheme which reveals something about the inventory. For example, a 27 inch stereo television might have an SKU number of TV27S, or a 19 cubic foot refrigerator with an ice maker might be designated as RF19I. Keep in mind that these SKU numbers are primarily for rate control. Therefore, you will have many inventory items with the same SKU number. The thing that would distinguish between whether additional SKU numbers are needed is whether or not the item is in a different category, and whether or not the item has a different pricing schedule.

Suppose, for example, that you have five 20" televisions from Goldstar and three 20" televisions from Sharp and 1 20" television from Samsung, any of which you would rent out at the same price. You could setup a SKU number of TV20 for all nine televisions. There would be one SKU record for TV20, and each time you added a 20" television to your system, you would enter TV20 for the SKU number, and Rentpro would automatically assign the category and rental rates from the SKU file. The actual manufacturer information is not tied to the SKU number, but rather it is entered when the inventory is added to the system.

Following is the kind of information maintained in the SKU file in the order it is entered into the Rentpro system:

SKU#, Category Code, Item Description, Unit Type, Tax Percent, Weekly Rate for Rent to Rent Agreements, Weekly Rate for Rent to Own Agreements, Monthly Rate for Rent to Rent Agreements, Monthly Rate for Rent to Own Agreements, Hourly Rate, Daily Rate, Yearly Rate, Retail Price, Monthly Damage Waiver Rate, Salvage percent for depreciation, Depreciation Term, Monthly Rental Term.

Most of these terms are self explanatory, but Unit Type is specific to Rentpro. There are six unit types:

- Standard Unit
- Standard Unit with Sale Charge
- Pager

- Pager with Sale Charge
- Quantity Track Disposition (Rental and Sales)
- Quantity Track Idle Only (Sales Only)

Most items in a rent to own company will use unit type 1. Unit type 3 was added for allowing specific enhancements to the software which are needed for pagers. The "sale charge" on unit types 2 and 4 allow the system to charge automatically a small sale price at the time a rental agreement is established. For example, a pager may have an initial sale price of \$49 and be charged while establishing a rental agreement for the service to that pager. Unit type 5 allows establishing quantity type records. These are records for low cost items where some tracking is desired, but it is unreasonable to track each individual item. For example, if you rent chairs, you may want to know that you have 500 chairs and 100 are on rent, but you don't care about where each specific chair is. Setting these up with unit type 5 would allow you to do that. One record is made with a quantity indicator of 500. When 100 are rented to a customer, a new record is created automatically to represent the 100 chairs and the original record is modified to reflect that only 400 are now idle. Unit type 6 is a quantity type record that has even less tracking ability. This was designed primarily for items which are not rented. For example, a rental company might rent cellular phones and sell air time for the phone. Air time often is tracked using debit cards for the amount of air time purchased for the phone. Because the debit cards are not ever rented, it might be more desirable to set them up as unit type 6, which would allow them to be sold directly on the payment screen. Rather than creating a new record and linking it to some agreement, the original record is simply decreased to indicate a card has been sold. In this way, idle stock can be easily monitored.

Inventory and Agreements

Once the category codes and SKU numbers are set up, inventory may be added. Following is the kind of information asked for when adding inventory.

Serial Number (17), SKU#, Description (20), Manufacturer, Model (10), Purchase Date, Color (6), Unit Cost, PO Number, Unit Retail, and New or Pre-leased.

You may also add the service cost and rental income earned by the unit at this time, or update this information at a later time. The Manufacturer information is linked to a 2 character code which may be established on the fly at the time the inventory is entered. However, if you have multiple stores, you may want to manage these from the Home Office System and update the stores with the manufacturer information to keep all your stores consistent. Many rental companies establish a policy whereby all inventory units are added through the Home Office System and then transferred to all the stores. This methodology insures consistency throughout the company.

After inventory are added, agreements may be added. Following is the kind of agreement information in the order in which Rentpro prompts for it:

Social Security Number, Social Security Number for spouse, First Name, Last Name, Company or Renter 2, Address, City, State, Zip Code, Primary Phone, Secondary Phone, Agreement Date, Delivery Date, Delivery Time, Number of Payments, Deposit, Tax%, Area Manager, Damage Waiver Plan, Processing Fee, and Delivery Fee.

The Social Security Number is important to Rentpro for linking different agreements to the same customer. If you have not kept this information, you may devise a customer number which would provide a method for Rentpro to know which agreements belong to the same person. This would facilitate posting payments to multiple agreements at one time. The secondary social security number for the spouse is important for bad agreements. By tracking this, a bad customer who sends in their spouse to try and rent from you without paying on their old agreement would be discovered. The system will check the social security number and find the spouse's agreement which owes money, alerting the employee to the situation.

Summary

So in summary, in preparing for your installation of Rentpro, you should do the following:

- Devise a list of category codes.
- Establish a list of SKU numbers for adding inventory.
- Organize your inventory information to make adding inventory easy.
- Organize your agreement information to make adding agreements easy.

Optional Support Equipment

Even if you have a single store and are not using the home office system to communicate with multiple stores, we recommend you have a modem and pcAnywhere software. Purchasing this should cost less than \$200 and it would allow us to connect our computer with yours and provide immediate support. PcAnywhere is a program written by Symantec which allows a remote computer to operate a computer at a different location via the telephone line.

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