

CUSTOMER SUCCESS STORY

AvaTax is a Spark for Business at Echelon

CUSTOMER

Echelon Corporation

INDUSTRY

Smart Grid Energy
Solutions

HEADQUARTERS

San Jose, CA

OTHER INFO

Nexus in 14 States

350 Employees

store.echelon.com

SYSTEM

AvaTax Integrated
with GoECart

Echelon Corporation is plugging into a worldwide transformation of the electricity grid and is helping create a "smart energy" network. Connecting everyday electrical devices on a network infrastructure, Echelon provides customers with "energy-aware" homes and businesses that communicate with and react to conditions on the grid. And while their products can power and connect tens of millions of devices, their e-commerce initiative was unplugged for years, according to Brennan McAdams, Information Architect at Echelon.

E-commerce Lacking Power

"We considered getting into e-commerce for a number of years, but there were always significant obstacles to overcome," Brennan says. "In particular, we knew that sales tax calculations for online orders would be a tremendous challenge because we have nexus in multiple states." While Echelon has roughly 350 employees, they didn't feel they had the resources to manage ever-changing sales tax rules and in the 14 states where they do business.

Plugging Into the Right Solution

According to Brennan, the real difficulty was finding a cost-effective e-commerce solution with a powerful sales tax engine. "Most of the affordable e-commerce packages we looked at offered very basic functionality that spit out an aggregate view of your sales tax liability. But we knew that wasn't going to cut it - particularly

in our home state of California, where sales tax varies by county, city, and district and where you can actually have completely different rates on two sides of the same street," Brennan describes. So Echelon's e-commerce endeavor sat on the back burner for roughly 10 years...that is, until Brennan and his team discovered AvaTax by Avalara integrated with GoECart.

An Electrifying Combination

Avalara is the leader in web-based sales tax automation solutions through their flagship product AvaTax. GoECart is an on-demand, e-commerce solution that offers a customizable web storefront. The plug-and-play integration between AvaTax and GoECart provides Echelon with an affordable Software-as-a-Service based e-commerce platform that, until recently, was only available to Fortune 500 companies with huge IT budgets. "Once we had a chance to take a good look at the combination of AvaTax and GoECart, we knew we found an affordable and reliable solution that would help spark our long-anticipated venture into e-commerce," says Brennan.

After the new system was up and running, Brennan recalls, "Our very first online order really put the system to the test ... It came from a university which has a unique half-percent sales tax on anything delivered on the college grounds." The transaction was handled perfectly and

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“I’m glad I have Avalara keeping track of sales tax changes and automatically updating our e-commerce platform so I can focus on our business.”

- Brennan McAdams
Information Architect
Echelon Corporation

Echelon knew that they made the right decision in choosing AvaTax and GoECart.

High Powered Online Sales

After 10 years in the making, Echelon agrees that good things come to those who wait. “Given the industry we work with, many of our customers are on job-sites during the day, making it difficult to place orders. But our online store makes it easier for customers to do business with us.” He adds, “We see customers placing orders late at night or early in the morning when it’s most convenient for them. Plus, they like the experience of taking time to browse our online catalog and find exactly what they’re looking for so we’re generating more revenue.”

Customer convenience isn’t the only benefit according to Brennan. “The AvaTax and GoECart e-commerce solution was affordable and the technology was a breeze to implement. In fact, we were able to achieve payback on our investment in just 60 days, which is fantastic.” Brennan also states that Echelon recently hit a milestone for the online store, reaching \$100,000 in sales in just 115 days since going live on the AvaTax and GoECart platform.

A “No Shocks” Online Experience

With Echelon’s e-store, one very important objective was to provide customers with a “No Surprise Purchase Experience.” Brennan explains, “With AvaTax, our customers don’t have to wait until after the order is placed to find out what the total cost is including tax and shipping ... which can be significant when they’re placing an order for \$5,000 worth of product. Before they buy, they get totally accurate pricing and have confidence knowing they won’t pay a penny more.”

Avalara is Always On

“It has been a total pleasure working both GoECart and Avalara and we would easily make the same choices again,” says Brennan. While the sales tax environment is constantly changing, Brennan no longer worries about any of that. “I’m glad I have Avalara keeping track of it all and automatically updating our GoECart platform so I can focus on our business. If I didn’t have either one of those solutions, our e-commerce structure would be far more complicated to manage and we probably would have continued to postpone our e-commerce initiative.”

About Avalara

Headquartered on Bainbridge Island near Seattle, WA, Avalara is changing the sales and use tax landscape by delivering innovative and affordable solutions to businesses of all sizes. Led by a team of industry experts, Avalara provides the easiest, fastest, most accurate and affordable way for businesses to address their statutory sales and use tax requirements.

Learn more information at www.avalara.com.

