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OF EXPERIENCE TO
WORK FOR YOU!



Danger? Danger!

Your QuickBooks File May Be Ready to Implode!



Presented by **Scott Gregory**

Certified QuickBooks Enterprise Advisor, Intuit Premier Reseller, CPA



“What makes Scott Gregory unique amongst the QuickBooks Experts we have hired is his very practical approach to tailoring QuickBooks to our needs. His very in-depth knowledge of the “inner workings” of QuickBooks has transformed our operation in a very short time.

He may appear a bit more expensive than other QuickBooks experts until you realize that he covers in an hour what takes others many, and has made our operation smooth and stress-free through clever short-cuts so few know of.

I highly recommend him for setting up QuickBooks right. My employees know much more about QuickBooks now, as he has made it simple to use, and has showed us how to avoid issues in the future. In just a short time with Scott, he has made something which appeared daunting and difficult to use, simple and effective.

I now can sleep at night knowing that my business is under control, and I can accurately view the state of my business at any moment by simply opening QuickBooks. Scott has not only made this possible, but did so in a very cost-effective manner. “

- **David Marcarian**, President
Precision Biometrics, Inc. / MyoVision

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Contact Scott Today About QuickBooks

For the fastest response, email Scott at:

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Don't let QuickBooks be a pain in the asset!

- Getting headaches from trying to figure out QuickBooks?
- Tired of hearing “accountant-speak” from your CPA?
- Frustrated with the QuickBooks tech support group?
- Discovered your accountant doesn't know QuickBooks?

Help is here!

Benefit from having a trusted, professional advisor on your team at a fraction of the cost of full-time staff. My clients enjoy our working relationship simply because I don't talk “accounting or technology speak” – I can discuss your problems and offer solutions in plain English. [See what my clients are saying about the help and insight I have provided for them.](#)

[Contact me for help](#) before you throw up your hands in frustration! Working together, we can determine the extent of your QuickBooks problems and put a solution in place. Let's get your QuickBooks and accounting problems ironed out soon!

“Your training has literally revolutionized the way we run things here. Everyone in our entire company- from Customer Service, Purchasing, Marketing, Shipping to Management has benefitted greatly from what you have taught us!

I couldn't recommend your expertise more- I would tell any Quickbooks user that a session with you is mandatory. The ROI is literally 50 fold for our company.”

- **Victoria Marquard-Schultz, Esq.,**
General Counsel & Regulatory Director
Applied Home Healthcare Equipment, LLC



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Proactive Steps You Can Take



There Is No Early Warning System In Quickbooks

I am positive you have discovered that QuickBooks software is very capable of alerting you to opportunities to purchase an upgrade.

In addition, you have likely been subjected to various pop-up messages offering you “special promotions” on complementary QuickBooks services such as payroll and credit card processing.

Those notices are all fine and dandy (some would say they are excruciatingly annoying!), but what about getting notices relating to the health of your QuickBooks data? After all, you and your staff have invested (or will have!) hundreds of hours of sweat equity building the data file.

Unfortunately, there really isn’t any early warning system to alert you to potential problems with your QuickBooks data.



Why risk finding out the hard way that a problem is lurking inside your file. There are some proactive steps described in more detail below that you can take to keep an eye on things.



The Power Of The F2 Key

Hidden inside QuickBooks is a screen that can provide details and insight into the state of affairs with your QuickBooks file.

That screen is accessed by tapping the F2 key on your keyboard (across the top row of keys). Once you tap it, a screen like this will appear...

Product Information	
Product	QuickBooks Accountant Desktop 2016 Release R7P
License number	ACTIVATED
Product number	R7_202
User Licenses	2
Installed	10/11/2015
SERVICES INFORMATION	
AuthID	
Company Realm ID	null
Online Billing Token	
Shopping Source Token	
INTEGRATED APPLICATION INFORMATION	
# of apps	3
Last accessed	08/23/2007 14.08.12
CONDENSE INFORMATION	
Last run	None
Last as of date	None
Last payroll deleted	None
Last inventory deleted	None
FILE INFORMATION	
Location	C:\Users\Public\Documents\Intuit\QuickBooks\Sample Company Files\QuickBooks 2016\sample_product-based business.qbw
USAGE INFORMATION	
Date First Used	12/31/2015
Number of Uses	697
Audit Trail	Enabled since 12/15/2007 03:27:10
VERSIONS USED ON FILE	
File Size	30432 K
Page Size	4096
Total Transactions	1233
Total Targets	5983
Total Links	2511
Dictionary Entries	196
DB File Fragments	1
Schema version	112.10
LIST INFORMATION	
Total Accounts:	116
Total Names:	213
Customers:	147
Vendors:	54
Employees:	3

Proactive Steps You Can Take



Breaking Down The Key Details On The Product Information Screen

Don't let all this geeky looking stuff on the screen shot above scare you away. Let's take a look at a few of the details within the screen that we'll be focusing on in this publication...

PRODUCT Product QuickBooks Accountant Desktop 2016 Release R7P

In the example above, it is telling us that QuickBooks Premier Accountants Edition 2016 Release R7P is installed.

- **Key insight** – the “R7P” portion of this information tells you what update or “release” of QuickBooks software is installed. These releases are how QuickBooks ensures that any bugs and problems reported by users like you are fixed.

It is extremely important to keep your QuickBooks software up to date with the latest release. To ensure you have the most current release, click Help > Update QuickBooks and follow the prompts or check the [QuickBooks support site](#) for your product to ensure you have the latest update.

LICENSE NUMBER AND PRODUCT NUMBER

This information is crucial in the event you ever need to re-install your QuickBooks software. Be sure you have it tucked away with your important computer files and paperwork. These numbers are normally included on the yellow product sticker inside the jacket of your QuickBooks CD or provided with the information you received when you downloaded the software.

FILE SIZE File Size 36432 K

This information tells you just how big your QuickBooks data file is. In this example, the file size of 36432k is telling us that the file is about 36 megabytes (MB) in size. **This number becomes critical to our conversation later in this guide.**

DB FILE FRAGMENTS DB File Fragments 1

This tells you just how unorganized the data is within your QuickBooks data file. **A smaller number is better in this case.** See the details below on acceptable values.

LIST INFORMATION

Tells you how many customers, vendors, etc. you have in your various QuickBooks lists.. QuickBooks does have limits for how many names you can have in these lists. Details on that on the right.

List Information	
Total Accounts:	116
Total Names:	213
Customers:	147
Vendors:	54
Employees:	3

Proactive Steps You Can Take



Who Cares About This Stuff?

You should. No, really. You should care a lot.

Specifically, there are three critical pieces of information above that can have a significant impact on your daily use of QuickBooks.

The critical pieces are:

- DB File Fragments
- List Information
- File Size

Let's explore these critical pieces in more detail...

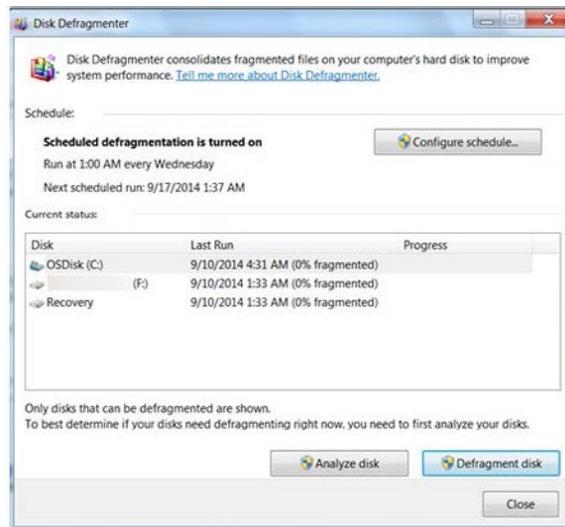
➤ DB FILE FRAGMENTS

DB is shorthand for database. The more fragmented your QuickBooks database is, the slower it will run. It is up to you to keep your database organized – QuickBooks isn't going to do it for you. It won't even warn you that it is getting disorganized.

Key value: Based on guidelines I have seen from QuickBooks, the key number for your DB file fragments is 30 or less. Realistically, my opinion is that if you can keep this value less than 75, no further action is needed. If your value is more than 75, you will want to consider further action to reduce it as explained below:

ACTION STEPS TO REDUCE THE DB FILE FRAGMENTS:

- Use the Rebuild Data tool found by clicking File > Utilities > Rebuild Data. A wizard will run to help you through the process. The first thing it does is get you to create a backup copy of your QuickBooks data (you can NEVER have too many backup copies!); then it goes through a reorganization process that can take anywhere from 10 minutes to 2 hours depending on how big your QuickBooks data file is. Once this has completed, check your DB fragments again to see what the number is now.
- If it is still too high, you will want to use the disk defragmentation tools provided by your version of Windows. For example, in Windows 7, you can click Start > All Programs > Accessories > System Tools > Disk Cleanup and the following will appear:



- Just click the Defragment button and walk away until it finishes. Once done, re-check your DB file fragment value.
 - + **Key points:**
 - You will need to run this defragmenting software on the computer where your QuickBooks data file resides. If that is on a server in your business, be sure to consult your IT person for guidance.
 - Best bet is to run this process overnight when nobody is using the computer.

- Create and Restore a Portable company file – If you click File > Create Copy, the next screen presents an option called “Portable Company File.” This process can be used to try and reduce the amount of “DB fragments in your QuickBooks data file. The steps are as follows:
 - + Create the portable company file following the wizard
 - + Immediately restore the portable company file using the wizard
 - + Tap F2 and verify the DB fragment count once again

🔍 LIST INFORMATION

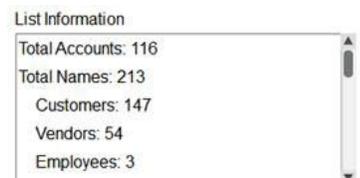
Each version of QuickBooks has a limit to how many customers, vendors, items and other information it can hold.

For example, in QuickBooks Pro and Premier, the maximum number of customer, vendor and employee names it can hold is 14,500. This is a total figure – you don’t get 14,500 customers, 14,500 vendors, etc. By contrast, QuickBooks Enterprise can hold up to 100,000 customers.

Just as importantly, QuickBooks Pro and Premier can only hold a total of 14,500 item/part numbers as well!

In many businesses, this limitation isn’t a concern. However, for many others, it could cause real problems.

The information provided by tapping the F2 key will alert you to just how many entries you have in your various lists. As I mentioned, QuickBooks does not provide any warnings that you are getting close to hitting the limits. It is up to you to periodically check the status.



OPTIONS FOR RESOLVING THIS PROBLEM:

Unfortunately, there are not many options to choose from to address this particular problem. These options would be:

- If you are using QuickBooks Pro or Premier – you can migrate to QuickBooks Enterprise. Your list capacity goes from 14,500 to 100,000, so you have room to grow. Naturally, there is the cost of Enterprise to consider (**REMEMBER:** [I can save you \\$\\$ on your purchase of Enterprise](#)).
- Start a new QuickBooks company data file – if you create a new data file, you are then able to delete the names within the list that you no longer want to retain. This allows you to create some space and grow your list counts again. (**IMPORTANT:** Be sure to read the pros and cons below about starting a new company data file).

MYTH: If I have too many entries in my list, I can simply delete names as needed.

REALITY: To maintain the integrity of your QuickBooks company data, if a name in your list has ANY transactions associated with it (i.e. estimate, invoice, etc.), you will NOT be able to delete the name from the list. You will be able to make the list entry inactive, but that does NOT reduce the number of entries within the list and does not free up any space.

➤ FILE SIZE

THIS IS SERIOUS BUSINESS AND WHERE IMPLOSIONS CAN OCCUR!

When looking at the details displayed with the F2 key as mentioned above, you see the file size line:

File Size 36432 K

Monitoring the size of your QuickBooks company data file is a critical area in the care and feeding of the file that you need to know about.

ACCEPTABLE FILE SIZES:

- QuickBooks Pro and Premier: 300,000 (300 Megabytes) OR LESS. In the graphic above, the file size is 36,432, so it is nowhere close to the 300,000 limit and it has plenty of room to grow. Your file may not be so fortunate.

KEY TIP – This value is not published anywhere in the QuickBooks documentation. Rather, it is based on my observation of hundreds of QuickBooks data files over the last ten years and suggested guidelines provided by QuickBooks.

This is not an exact figure, but rather, a key indicator that problems may surface down the road. I know of businesses that have file sizes in excess of 300,000, but they are also experiencing one or more of the symptoms discussed on the next page...

COMMON SYMPTOMS OF FILES THAT ARE TOO LARGE AND POTENTIALLY HEADING FOR TROUBLE

Are you running into any of these issues in working with QuickBooks:

- 1. You go to run a report, and it “takes forever” for the report to display?** By far, this symptom is the most common and easiest to spot. I have worked with businesses that wait anywhere from three to five minutes (or more) to generate their profit and loss and other important reports. This is a classic symptom that the underlying QuickBooks data file is getting too big and action is needed (sooner rather than later!).
- 2. You get random error messages when opening, closing or working in QuickBooks or QuickBooks shuts down all by itself?** In many cases, these error messages are related to some type of problem within the QuickBooks data file that needs to be sorted out.

TRUE STORY – The only way to get it working again was for the Intuit data team to try and run some repair tools on it. If they sent the file to the Intuit data team, they would have been without the file for 2-4 business days (that’s right – nobody could use QuickBooks at all during that time).

We then got the QuickBooks data recovery team involved and the business was told that their QuickBooks company data had become corrupted and was unusable. Great news....not!

The only way to get it working again was for the data team to try and run some repair tools on it. The business then had a choice – pay the data team \$250 and be without the use of QuickBooks for 7-10 business days, or pay the data team \$750 and be without the use of QuickBooks for 2-4 business days.

A MAJOR OUCH either way!

- 3. You can’t verify, rebuild or backup your QuickBooks data properly?** Failures in these common QuickBooks utilities typically indicate that there is some type of underlying problem within the QuickBooks data that needs immediate attention. Very often, the culprit is that the data file has become too large and the data integrity has become suspect.

WHAT ARE THE OPTIONS IF YOUR QUICKBOOKS DATA FILE BECOMES TOO BIG?

Each of the following potential solutions has pros and cons that you will need to evaluate in relation to the needs of your business.

- **Start a new QuickBooks company data file** – yes, this is exactly what you think it is. Starting a new data file from scratch, just like you did the first time. Alternately, you can outsource this project. [More details on outsourcing your new file here.](#)

Let's get your business set up quickly!



Answer some basic questions and we'll do the rest. You can always make changes later. (Recommended for new users)

Express Start

Control the setup and fine-tune the company file.

Detailed Start

Create a new company file based on an existing one.

Create

Convert data from Quicken or other accounting software.

Other Options

PROS:

- + Your QuickBooks company data file will be extremely small once again and allow you to grow. It should take a while before you return to the “red zone” of a file size approaching the 300,000 megabyte mark as referenced above.

CONS:

- You will need to move your customer, vendor, item and other lists from the old company file to the new one. QuickBooks provides the utilities to do this, but this process brings over all your list entries, including old customers and vendors.
- You will need to get your open A/R, A/P and ledger balances into the new data file. Depending on the volume of open customer and vendor invoices, this could be a very time-consuming process.
- Once you get the new data file created, you will not be able to run comparative financial reports without the intermediate use of Excel. Your old transactions will be in the “old” company data file and your new transactions will be in this “new” company data file. Any comparisons will have to be done with Excel.
- You will have to jump back and forth between the company files. Since QuickBooks only allows you to have one data file open at a time, you can either access the “new” company data or the “old” at any given time. While the process of jumping back and forth is easy to do, some perceive this as too much of a “pain” to want to deal with it. **Keep in mind that your old data is NOT lost in any way** – you just have to take a few extra steps in order to access it.

- **Use a QuickBooks file-shrinking service** – several third party firms have the capabilities and the proprietary tools that can be used to try and condense your QuickBooks company file so you can keep working without the aggravating problems outlined above.

My favorite solution is provided by [Mendelson Consulting](#). Their “super-condense” service allows you to make your QuickBooks data file as clean and efficient as possible on a risk-free basis.

PROS:

- + [Mendelson Consulting](#) will assess your data and let you know the potential file size reduction at no cost. If they are not able to free up a sufficient amount of space to speed up your QuickBooks, there is no charge. You are not obligated to proceed with their service.
- + If they are able to free up significant space, the resulting QuickBooks company file will work faster and be far less prone to some of the problems mentioned above.

CONS:

- There is a cost to use the [Mendelson Consulting](#) service if you agree to have them proceed with a “super-condense” of your QuickBooks company data file. **The prices are very modest for the huge benefit they provide.** Note that they offer weekend services to help minimize the potential disruption to your business.
- **Migrate to QuickBooks Enterprise** – The makers of QuickBooks realize that your business may simply outgrow the capabilities of the Pro or Premier versions. Naturally, they have made it a snap to move into their Enterprise version of QuickBooks.

This version can easily handle data files up to six times the size of QuickBooks Pro or Premier (2 gigabytes for Enterprise vs. 300 megabytes for Pro or Premier).

PROS:

- + Moving from QuickBooks Pro or Premier to QuickBooks Enterprise is usually a seamless transition.
 - The user interface within Enterprise is exactly the same as it is in Pro or Premier, so there is no additional learning curve for you or your staff
 - All of your existing QuickBooks data will move into Enterprise. Unlike the option above to create a new company data file and have your data split between two data files, Enterprise allows you to keep running with your existing file.
 - Your purchase of QuickBooks Enterprise includes a free upgrade to the software when it is released. For example, if you purchase QuickBooks Enterprise, you would automatically receive a free upgrade to the next release of QuickBooks Enterprise.

CONS:

- There is a cost involved in purchasing QuickBooks Enterprise software. Keep in mind that [I am able to save you a significant amount on the purchase price of QuickBooks Enterprise](#), but there is a cost involved. Some businesses feel this cost it too much and opt to try the other options listed above first.



Summary

The care and feeding of your QuickBooks data file is extremely important, but often overlooked. As you have seen, there are a number of issues relating to your data that are of specific concern and that need periodic monitoring.

The good news is that you have some options to consider in the event your data file is getting too big. Is there one right solution for your business? My thought is to weigh the pros and cons as outlined and make the determination of what is best for your business not for the short-term, but in the longer term.

It is best to be proactive in monitoring your QuickBooks – that way, you can address these concerns on your own timetable instead of being rushed into a poor decision because you can no longer access your critical QuickBooks company data.

If you have the need for further professional assessment of your QuickBooks file and/or help in reviewing the critical information above in your business, [let's talk soon](#).

“Scott is extremely knowledgeable in Quick Books and very friendly. I have had an issue with this program since we purchased it and with Scott's help, I have been able to grasp a better understanding and actually put the program to correct use. Scott makes your learning experience relatively painless and interesting. Scott listens to your concerns and addresses them by importance and never makes you feel stupid for not understanding. Scott, thank you for all of your help!

- Heather, Royal Sheen Products

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QuickBooks Services

"I would definitely recommend Scott Gregory to anyone."
 - Margo Strunk, Office Manager, AllCraft Wellman, Inc.

Take the guesswork out of using QuickBooks for your financial needs – get the help of a trusted QuickBooks expert that has been helping businesses for years:



One-To-One Consultation

Let me help resolve areas of confusion and ensure you are using QuickBooks the right way- don't waste time sitting in a "QuickBooks class" and then discover the class doesn't answer your specific questions! We can meet on-site or over the Internet for as little as an hour, or as long as it takes to get things right!



Initial Quickbooks Setup

Just starting with QuickBooks? If your company data file is not set up correctly, you will be paying for it over and over again in higher accounting fees and troubleshooting expenses. Ensure you start your QuickBooks journey with a solid foundation! Don't blow this critical step in your QuickBooks journey.



Unlock The Secrets To Using QuickBooks More Effectively

Take advantage of my expertise to work with you and your staff and adapt QuickBooks to the specific needs of your business. You don't even have to leave the office!



Conversion From An Existing System

Tap into my expertise to help minimize the pains of converting to QuickBooks and ensure success for you and your team! Moving from your existing accounting software to QuickBooks doesn't have to be a scary or budget-busting event.



Help Selecting The Right QuickBooks Add-On Software

Trying to extend the functionality of QuickBooks? Avoid the classic mistakes many businesses do when looking for new software, especially packages that integrate with QuickBooks. Work with a QuickBooks expert to ensure your success.

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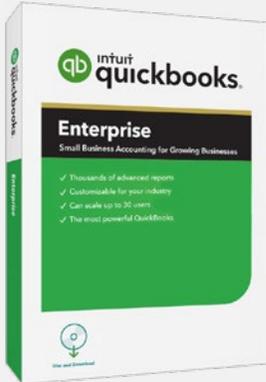
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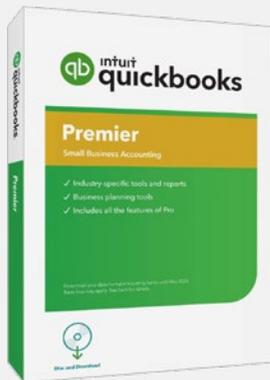
"Thanks for making our upgrade painless and easy!"
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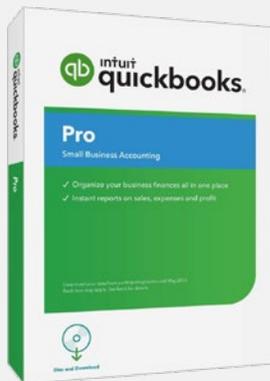
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“Scott Gregory continues to amaze me. Every single client out of the dozens who have purchased Enterprise Solutions from Scott and worked with him have given him a 100% Net Promoter Score. This is very unusual in our industry. It is considered World Class.” – MARIE ARCHULETA, Channel Sales Manager for Intuit



About Scott Gregory

Certified QuickBooks Enterprise Advisor and Intuit Premier Reseller

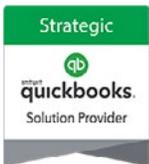
Scott has been helping businesses “get it right” with their QuickBooks and business finances for over thirty-five years.

During that time, he has assisted well over 1,000 businesses, with services such as QuickBooks software installation, training and coaching sessions, and his [part-time controller services](#).

Prior to starting his own practice, Scott served as the CFO for a \$15 million manufacturing firm for more than ten years. During his tenure as CFO, Scott was responsible for: \$4 million in inventory, \$4 million in accounts receivable, inventory control, purchasing, information technology and banking relationships.

He is a member of the Certified QuickBooks ProAdvisor program, a CPA, and certified in integrated resource management (CIRM) by APICS. Scott has taught hundreds of business owners, bookkeepers, and CPAs how to use QuickBooks effectively and efficiently through local community colleges and via webinars.

Thousands of QuickBooks users rely on [Scott’s QuickBooks Blog](#) for insight, tips and tricks each and every month.



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