CASE STUDY

SPORTS APPAREL MANUFACTURER

Fast Growth and Immediate Success
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CUSTOMER DETAILS
Wisconsin-based manufacturer of sporting goods and apparel
Serves more than 35 percent of its overall industry and more than 60 percent of the high-end market
Includes both domestic and international pro shops (as opposed to the more familiar sporting goods retailers)

INDUSTRY
Clothing

APTEAN SOLUTION
Made2Manage

CHALLENGES
- Existing system was not going to keep up with the company’s rapid growth.
- Unable to meet promised delivery dates due to a lack of shop floor control.
- Make-to-order manufacturing style had created an item master of more than 10,000 parts.
- Manual process of organizing this information led to inventory inaccuracies, order errors, and a lack of visibility.
- Maintaining two separate shipping databases caused order tracking and shipping errors.

BENEFITS
- A 25 percent increase in sales year over year.
- Sales opportunities in new and foreign markets.
- A 25 percent reduction in its vast item master.
- Improved customer service and 35 percent fewer order cancellations due to a reliable forecast and realistic sales and job order due dates.
- Improved on-time delivery year over year from 72 percent to more than 90 percent.
- Shrunken lead times.
- Dramatically reduced data entry, paper trails, and administrative tasks.
- Improved data visibility and decision support, resulting in a 94 percent performance to plan metric in 2003.
FAST GROWTH AND IMMEDIATE SUCCESS

Millions of sports fans across the world have used or been exposed to the products of one of Made2Manage Systems’ premier customers—a Wisconsin-based manufacturer of sporting goods and apparel. Founded in 1991, this customer site has quickly grown to employ 150 people at one facility while serving more than 35 percent of its overall industry and more than 60 percent of the high-end market, which includes both domestic and international pro shops (as opposed to the more familiar sporting goods retailers).

PRECISION PERFORMANCE

In 1992, the sporting goods and apparel manufacturer sought out its first business system to help manage the company's burgeoning financials, production, materials, and customer base. Not long after the company implemented another ERP, leaders at the company realized that the system they had chosen was not going to keep up with the rapid growth the company had seen from building solid customer relationships and cutting-edge products. In fact, the organization was struggling with a variety of performance issues. First, the company was unable to meet promised delivery dates due to a lack of shop floor control. Second, the company's make-to-order manufacturing style had created an item master of more than 10,000 parts. The manual process of organizing this information had led to inventory inaccuracies, order errors, and a lack of visibility into what the company could truly build for its customers. Finally, the maintenance of two separate shipping databases was causing order tracking and shipping errors, placing long-standing customer relationships at risk.

LINING UP A NEW BUSINESS SOLUTION

The company’s first plan of action was to hire a Chicago-based consulting firm to help implement a formal ERP business model. As the sporting goods and apparel manufacturer began to use performance metrics to measure its business, the company also started searching for a new enterprise software package that would complement the prior consulting work. The company ended its hunt in early 2002 when its selection team chose to purchase and implement the Made2Manage® Enterprise Business System. The primary reasons for the team’s selection included the Made2Manage system’s extensive reporting capabilities, materials resource and demand planning functionality, complete integration with UPS Online WorldShip, and fully integrated product configuration options.

After a successful and comprehensive implementation of the Made2Manage system, including data loading, business process analysis, conference room modeling, and employee training, the sporting goods and apparel company went live with 50 user licenses in December 2002. Within just one year of using the system, the company has seen a significant return on its technology investment and has been able to preserve the tremendous growth rate needed to remain one of INC 500 magazine’s fastest growing private companies in the United States.

HITTING THE MARK WITH MADE2MANAGE SYSTEMS

Using the Made2Manage application, leadership team members at the customer site now had the data visibility to better understand the company’s true requirements and get products out the door faster. Year after year, the organization saw a 25 percent increase in sales. In addition, easy access to back-office data provided the company with solid decision support and a better overall understanding of business opportunities. For example, the software/data manager for the company noted that one of its product divisions had always struggled because of weak planning. “We were happy just keeping up with orders,” he said, “but with Made2Manage, we have been able to analyze our capacities and realize immediate opportunities for growth.” One of the most significant avenues for new revenue has been the expansion of this division into new markets, resulting in the product line’s 28 percent increase in sales in 2003. Other opportunities brought on by improved data visibility and reporting included the company’s unprecedented ability to handle an increased sales volume from foreign markets while maintaining the requirements of its primarily domestic customer base.
The addition of materials resource planning functionality has allowed this Made2Manage Systems customer to better control its job orders, job costs, and material requirements. Moreover, demand planning functionality has helped the company better understand and manage its highly seasonal demand, as well as how this demand impacts material and capacity constraints. Because of a streamlined shop floor, the company is poised to bring several operations it formerly sub-contracted in-house. Even more importantly, on-time delivery year over year has increased from 72 percent to more than 90 percent and lead times have shrunk.

"With our previous system," said the operations director, "we had an order date and a due date, and both were meaningless. Even though seasonality drove demand, we were typically either over- or under-producing, and we continually lost orders based on our inability to meet due dates. Today, we practice better customer service because we work with a reliable forecast and realistic sales and job order due dates, and we have at least 35 percent fewer cancellations."

Other key features within the Made2Manage system have served the company’s unique vertical market specifications. For example, the sporting goods and apparel manufacturer is using the system’s customer service request screen to manage the lifetime warranties of its products by tracking the original owner. The company has already realized liability savings. The organization also uses the Made2Manage Product Configurator to easily manage the numerous product features and options based on the preferences of its customers. According to the software/data manager, the result has been improved sales numbers and increased order accuracy for the company’s highly customized products. In addition, because the company ships more than 500 packages daily, of which 99 percent are sent via UPS, the Made2Manage application’s integration with UPS Online WorldShip helps employees manage and track all shipping activities right from a desktop.

**TAKING ON CONTINUOUS IMPROVEMENT**

Already a company acclaimed for its innovation through superior engineering technology, the sporting goods and apparel manufacturer continues to look to Made2Manage Systems’ technology to manage and grow its business through enterprise software. The company plans to employ Made2Manage Systems’ bar coding functionality to automate the entry of its daily labor, inventory, shipping, and receiving transactions.

According to the operations manager, each year, the products of his company win more men’s pro, women’s pro, senior pro, and limited pro events than all other brands in the industry combined. As the company continues to dominate its market, the operations manager notes that the Made2Manage application has provided overall insights, efficiencies, and savings that have significantly jumpstarted the company’s success story. "Bottom line,” he said, “we’ve gained a better overall understanding of our business. Our overall performance to plan within our first year of using the system is 94 percent. We’ve never had this kind of visibility into our business or this level of decision support.”

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