



Cycling-Gear Manufacturer Improves Operations And Planning with New Business Software

Customer: Canari Cyclewear
Web Site: www.canari.com
Customer Size: 80 employees
Country or Region: United States
Industry: Apparel retailing
Partner: OfficeOps
Web Site: www.officeops.com

Customer Profile

Based in San Diego, California, with 80 employees, Canari Cyclewear makes premium clothes and accessories for cyclists around the world.

Software and Services

- Microsoft Dynamics
 - Microsoft Dynamics NAV

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Chris Robinson, Chief Operating Officer, Canari Cyclewear

Business Needs

Canari Cyclewear manufactures top-of-the-line cycling gear that is resold by independent bike shops and large sporting-goods retailers around the world. The company also sells custom gear to professional and semi-professional cycling teams. From 2005 to 2008, the company saw sustained double-digit growth in sales, which put pressure on the company to improve the efficiency and effectiveness of its inventory management and reporting systems.

“We were using a DOS-based system and Microsoft Excel spreadsheets to keep track of orders and roughly \$5 million worth of inventory and to try and forecast demand,” explains Chris Robinson, Chief Operating Officer at Canari Cyclewear. “This method required us to manually collect and enter data. Overall, the process was tedious and prone to error, especially because some part numbers exceeded 50 characters.”

As Canari Cyclewear grew its sales, the company struggled to stay responsive to customer demands. “Our larger competitors can ask customers to pre-book their orders, which gives them greater visibility into future production

requirements,” explains Robinson. “We don’t have that luxury, and it puts pressure on us to manage our inventory well. We need to know what our demand is, what we have on hand, and what is forecasted on a SKU level.”

To find a solution, Canari Cyclewear began interviewing local business technology companies. “Many of the companies we talked to seemed more interested in selling us software than getting to know our business and helping us solve our problems,” says Robinson.

Solution

After evaluating more than 10 software solutions, Canari Cyclewear chose Microsoft Dynamics NAV and Microsoft Certified Partner OfficeOps. “We chose Microsoft Dynamics NAV because it addressed our inventory management needs and is flexible and full-featured enough to meet our needs in the future,” says Robinson.

Canari Cyclewear appreciated the consultative approach that OfficeOps used during their initial discussions, which indicated the partner was willing to take the time to understand Canari Cyclewear’s

unique business challenges and recommend the best solution. For example, OfficeOps offered pragmatic advice on how to handle Canari Cyclewear's custom-order business, which can involve up to 20 documents for one order.

"Our custom-order business is very complex and today makes up only about 10 percent of our sales," says Robinson. "However, we would like to see this segment grow to 30 percent of sales and wanted to streamline processes to accommodate that increase. OfficeOps suggested that we implement Microsoft Dynamics NAV for our core business and then tackle the custom-order side. We followed that advice and can see in retrospect that it saved us from a lot of potential difficulties." After Canari Cyclewear finished implementing the solution for its core business, the company tapped OfficeOps to extend the solution for its custom-order business.

The solution that Canari Cyclewear and OfficeOps implemented makes inventory information instantly available to employees so that they can view stock levels by style, color, and size. Each employee has a unique view of functionality and information based on their role in the company. The solution links to other business software to eliminate duplicate data entry and automatically pull in information from supply chain partners.

Now, employees no longer need to enter information from invoices into the system by hand, for instance. Canari Cyclewear uses Microsoft Dynamics NAV to make manual processes, such as documentation and warehouse management tasks, easier. For example, instead of filling out packing labels by hand, employees can print import/export documentation and shipping labels that conform to customer requirements.

Managers at Canari Cyclewear use Microsoft Dynamics NAV to identify sales trends by



style, gender, selling region, product type, and other attributes that the company decides to track. And, because Microsoft Dynamics NAV works well with Excel, managers can view and analyze data in spreadsheets with only a few clicks of a mouse.

Benefits

Canari Cyclewear enjoys greater insight into available inventory and future demand and no longer relies on time-consuming and error-prone manual processes for common tasks like entering sales orders and producing reports.

More Efficient Demand Planning

With detailed reporting available through Microsoft Dynamics NAV, Canari Cyclewear can more accurately predict future demand. "Whereas our planning process previously involved a lot of guesswork, we now have instant insight into what is available and can investigate historical trends to better gauge demand," says Robinson. "We can better align our inventory with demand, which lets us reduce our stock levels for some categories by as much as 30 percent and

reinvest those resources in products that are selling well."

Lead Times Cut by 60 Percent

Canari Cyclewear's warehouse operations are much more efficient with Microsoft Dynamics NAV. "If a large order comes in on Monday, we can usually ship it on Thursday," says Robinson. "Before, it would have taken another week. This not only improves our image with customers but also gives our product more time on retail shelves."

Reliable Technology and Partner

Robinson and other leaders at Canari Cyclewear feel confident that Microsoft Dynamics NAV will support future growth and are happy with OfficeOps as their partner. "We chose Microsoft Dynamics NAV, in part, because of the people at OfficeOps," says Robinson. "They were interested in more than just the initial sale and were genuinely concerned about solving our problems. And, they've done a good job of providing us with the training and insight we need to be self-sufficient in using the solution."