



Newsletter Vol. 88 - Introduction

Softengine News is dedicated to keeping you up to date with the latest information regarding SAP Business One systems, Softengine solutions and Best Business Practices.

What's New?

Spotlight on our Customer: BED|STÜ (Footwear) – Another Softengine Success Story

SAP Business One and Softengine Extensions Help BED|STÜ Grow 20% without Adding Staff New “Omnichannel” Strategy Unites eCommerce and “Brick and Mortar” Store on One Integrated Platform

Inspired by the resilient streets of Bedford Stuyvesant, New York, BED|STÜ started selling its line of footwear and accessories in a small Los Angeles warehouse in 1995 with only three employees. Over the years, the company has experienced meteoric growth, now offering its products in 16 countries across the globe and supporting a staff that exceeds 300. In addition to their home office in Camarillo, California, BED|STÜ maintains an office in China, a production factory in Mexico and showrooms in New York City, Dallas and Kansas City.

Select BED|STÜ products can be found at hundreds of authorized retailers across the United States, including Nordstrom, Amazon.com, Zappos.com and Free People, to name a few. The company’s vegetable-tanned leathers, shoes and accessories are made using traditional techniques: Goodyear welted, hand-woven, hand-sewn, washed and tumbled. BED|STÜ is a very environmentally conscious business, taking great care to only incorporate sustainable components and practices that generate minimal environmental impact into all of their products.

Challenge

Accounting, Inventory Management and Factoring Compromised by Overmatched Business Systems

For many years, BED|STÜ entrusted its business operations to an entry-level ERP system, a very basic accounting program and a third-party payroll system. It was hoped that the combination of these three components would help them keep track of inventory and manage their financials. Eventually, lack of integration between these systems turned those hopes into frustration as redundant, manual processes were usually needed to enter information, which led to other issues. Additionally, their legacy systems couldn’t support integration with an eCommerce application for online sales.

According to BED|STÜ president Nora Orozco, “Accounting was a bit of a nightmare as we were operating two entry-level systems that didn’t speak to one another. In essence, we were manually entering data into one system, running reports and then reentering the same data into the other system, which wasn’t very efficient and somewhat prone to

errors. The same routine applied to our payroll system, which also wasn't integrated. As you can imagine, it was tough to try to tie everything together without having information residing on one platform."

"Tracking inventory allocation was another daunting challenge under these conditions," added Orozco. "At trade shows, our sales reps wrote down orders on paper and if the handwriting was particularly bad, it was hard to decipher what the actual order was. This occasionally led to erroneous information getting entered into the system later and thus inaccurate inventory counts. Plus, by the time all the orders were manually entered into our system, it was a week after the close of the trade show, which was certainly less than ideal."

Their existing ERP system also didn't offer any integration with BED|STÜ's factoring service provider. BED|STÜ had been using a factor to finance receivables for its retail customers and to accomplish this, staff had to prepare invoices manually on spreadsheets and then email them individually to the factor. BED|STÜ also resorted to requesting credit approvals manually.

Solution

Integrated Systems Provide a Centralized View and Complete Tracking of Every Stage in the Production Process

With growth accelerating and disparate business systems not communicating, Orozco and her colleagues decided to search for a more robust and flexible ERP solution that could unify its eCommerce and new "brick-and-mortar" store on one platform – an "Omnichannel" strategy. Orozco and her associates evaluated a number of options and one stood out way above the rest, especially in terms of features, functionality, integration and scalability – SAP Business One. Now that they had found a suitable ERP solution, they needed a worthy team to perform the installation and deliver a series of customizations to fit the new solution to their unique requirements. Fortunately for BED|STÜ, Softengine (www.softengine.com), an SAP Business One Gold Partner with a proven track record in managing complex implementations and designing custom extensions for SAP Business One, was located nearby.

During initial discussions with the Softengine team at BED|STÜ's main offices, Orozco laid out a number of key objectives she wanted from the new system. Here were a few of highest priorities:

1. **Seamless Integration with eCommerce** – BED|STÜ was using the NuOrder B2B eCommerce solution to handle online sales to its retail customers and Orozco wanted a smooth bi-directional flow of information between their online sales and SAP Business One. It was determined that a connector had to be custom-built to achieve seamless integration between these two systems and Softengine fulfilled this request with its NuOrder B2B eCommerce Connector.
2. **Integration with Accounting** – While this is a prerequisite for any ERP solution, suffice it to say that having visibility into all their financials on one platform was a much-needed upgrade from the disjointed and inefficient systems that had been in place. The ability to track and manage inventory from sales order to purchase order through production was an absolute bottom-line necessity and SAP Business One simply gets the job done.
3. **CIT Factoring Integration** – BED|STÜ sells its receivables to CIT, a well-known factoring company. To facilitate the flow of receivables and credit approval information between the NuOrder eCommerce system, SAP Business One and CIT, Softengine developed a custom CIT Factoring Integration extension. Designated BED|STÜ retail customers are assigned a CIT number, so whenever they place an order, the information is sent directly to CIT for approval and once approved, the associated sales order in SAP Business One is automatically updated and a pick ticket is generated for shipping.
4. **Ability to Send Out "Line Sheets"** – Orozco wanted the new system to be able to send out line sheets, which are offline catalogs with .pdf's and links that provide information on a product and serve as highly effective marketing tools. The line sheet typically includes information such as available sizes, pricing, minimum order amounts, order cutoff dates, contact and delivery information. Softengine configured the system so that the NuOrder B2B eCommerce system would serve as the source for printing out line sheets.

Softengine Extensions Empower BED|STÜ with Greatly Enhanced Inventory Tracking Capabilities

Softengine's Fashion One Integrates with SAP Business One and Magento to Streamline eCommerce Updating –

Softengine's Fashion One extension teams up with SAP Business One and the Magento B2C eCommerce system to deliver a tightly integrated platform for managing all the product information and images displayed on BED|STÜ's website. The product information is synced up between the different systems, meaning that changes made in Fashion One instantly update what is displayed on the website.

Specifically, all sales orders placed through the **Magento eCommerce** site are automatically sent to SAP Business One, which then runs a check of BED|STÜ's "Web" inventory and if designated items are out of stock there, the system proceeds to the main warehouse to check on availability. Once the item is found, the system automatically updates the sales order to ship from the applicable warehouse.

Softengine's Auto-pick feature extends the functionality of SAP Business One, enabling users to automatically release sales orders for picking at the applicable warehouse without the need for manual input (normally required in SAP Business One). When an order is placed, the system checks all associated warehouses to see if items are in stock and if so, it automatically generates a pick ticket. However, the pick ticket is not issued until the customer's credit card authorization has gone through. The Auto-pick ticket information is then sent to Softengine's Shipping Connector, which pulls all related shipping information for UPS and generates a tracking number. Finally, the shipping charge is sent back to SAP Business One from UPS. This enhanced level of automation saves BED|STÜ personnel countless hours every day vs. manual input processes.

Softengine's Auto-Invoice Generator also provides huge time-savings by automating every step in the invoice generation process. Once a UPS tracking number is available in SAP Business One, the Auto-Invoice Generator converts pick ticket information into an invoice, which eliminates the step of manual invoice creation, saving many hours of work. In addition, whenever the system sees an invoice, Softengine's Credit Card Integration Connector takes all the credit card details and sends it to the payment processor, which captures the funds and then automatically applies payment in SAP Business One.

Results

Softengine Rises to Every Challenge – Helps BED|STÜ Open New Store in Record Time

As Nora Orozco reflects on her original wish list for the new system, she is very enthused about the positive results that have accrued since the new system went live and quite confident in the future. "Our new system has enabled us to grow by 20% without having to add any staff," asserted Orozco. "The level of automation we now have is awesome! We can effectively track every part of our operations in real time and effectively manage each facet of our omnichannel strategy. Visibility into our inventory at every location is crystal clear and we have instant access to all of our sales, customer and production data. As a result, we can make better decisions and better manage our growth process." Recently, BED|STÜ opened its first "brick and mortar" store. The Softengine team once again provided invaluable support to help Orozco and her staff launch a successful opening. They helped BED|STÜ get the right hardware, configured and connected the iVend Retail POS software to SAP Business One and then trained store staff on all the software so that they were operating at full speed right out of the gate.

"When we saw the retail space, we decided to move very quickly to get the store open for business," said Orozco. "Softengine immediately pulled a team together and incredibly, we were able to go from nothing to actually opening in just three weeks ... in time for Black Friday! It's just another example of how Softengine has risen to the challenge every time we've called on them. They listen to us and do everything possible to accommodate our wishes. What more could you want from a business solutions partner?"

For more information about SAP Business One and helping you to grow your business without adding overhead, please contact Barry Lederman: 818.704.7000, blederman@softengine.com.

This promotional e-mail provides information on Softengine's products and services that may interest you. If you prefer not to receive e-mail from us in the future, please reply with subject: Unsubscribe.