

SAP Customer Success Story Consumer Products



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Ron Schwab, CFO, Wolf Peak International Inc.

AT A GLANCE

Company

- Name: Wolf Peak International Inc.
- Location: Layton, Utah
- Industry: Consumer products
- Products and services: Manufacturer and distributor of industrial and sports eyewear
- Revenue: US\$4 million to \$10 million
- Web site: www.wolfpeak.net
- Implementation partner: JourneyTEAM

Challenges and Opportunities

- Access key information from existing accounting package
- Develop strategic financial reports necessary to run the business

Objective

Replace inefficient and ineffective accounting software with comprehensive business management software in the SAP® Business One application

Solution and Services

SAP Business One

Implementation Highlights

- Implementation completed in 7 weeks during busiest period of the year, without disruption of business operations
- Cutover completed over long weekend without incident

Why SAP

- Allows easy access to business-critical information
- Includes XL Reporter, an intuitive, easy-to-use Microsoft Excel-based reporting tool
- Provides complete enterprise management capabilities

Benefits

- Ease of use
- Accessibility of transaction data
- Speed and ease of development of designed reports and ad hoc queries
- Flexibility of user-designed fields

Existing Environment

AccPac

Third-Party Integration

- Database: Microsoft SQL Server 2000
- Hardware: Dell server
- Operating system: Microsoft Windows 2003 Server

WOLF PEAK

SAP® Business One Supports SME's Growth with Business Management Software

One of the hazards of growing a small business is software selection: pick the wrong horse and you may find yourself riding in the wrong direction. Correcting your course may mean not only writing off the first selection, but also finding the right solution. For Wolf Peak International Inc., of Layton, Utah, the right solution was to install the SAP® Business One application.

Wolf Peak designs and manufactures eyewear for the safety, sporting, driving, and fashion industries. Founded in 1998, the privately held small-to-midsize enterprise (SME) also specializes in overseas production, sourcing, importing, and promotional distribution services.

In Wolf Peak's early days, founder-owner Kurt Daems was content to use QuickBooks to handle ledger chores. The package is user friendly and allows you to drill down to view transaction details or combine data in a variety of ways to create desired reports. As the company prospered, however, it quickly outgrew the capabilities of QuickBooks. “As Wolf Peak got bigger, the owner felt the need to get into a more sophisticated accounting system,” says Ron Schwab, CFO at Wolf Peak International Inc. “There were no financial people in-house at the time the original decision was made to purchase the QuickBooks replacement, and the decision was made without a finance person in place to review it.”



An Absolute Nightmare

Wolf Peak selected one of several packages promoted to SMEs. By the time Schwab joined the company, the package had been installed for six months, following an implementation period that lasted a full year. “The biggest difficulty for a QuickBooks user is to go from its very friendly user interface and the ability

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Kurt Daems, Founder and Owner, Wolf Peak International Inc.

to find information easily to a more sophisticated, secured, batch-oriented accounting system that became an absolute nightmare to get data out of,” notes Schwab. “So the company paid a lot of money to have this wonderful new accounting system, but nobody knew how to go in and extract financial or operational data used to make critical business decisions.”

There were other problems. Developing reusable reports was difficult, time consuming, and expensive. The company paid consultants to develop reports for specific needs, some of which still had not been delivered months after they were commissioned. Ad hoc reporting was similarly intractable. Furthermore, the company’s prior-year history in QuickBooks could not be converted into the new accounting package.

A Year of Living Dangerously

A situation like this creates serious problems. Accustomed to keeping close tabs on the company’s operations, Daems found that he now simply could not get the information he wanted. He began to lose track of his business.

“He got so fed up he finally came to me and said he was ready to look at an SAP software alternative he’d heard about,” Schwab recalls. “He wasn’t ready to buy it, though, because he’d just sunk a lot of money into his current package.”

One year after Wolf Peak had switched over to the new accounting package Schwab called the offices of JourneyTEAM, the local SAP services partner, and asked the consultative sales team to demonstrate SAP Business One.

An Affordable Business Management Alternative for SMEs

SAP Business One is an integrated, affordable business management application designed specifically for small and midsize businesses like Wolf Peak. The application automates critical operations including sales, finance, purchasing, inventory, and manufacturing and delivers an accurate, up-to-the-minute view of the business. Its affordability translates into a rapid return on investment and its simplicity means users have a consistent, intuitive environment that they can learn quickly and use effectively.

“We had a wish list from various company employees asking for a variety of capabilities,” recalls Schwab. “The JourneyTEAM people came in and demonstrated all those functionalities and more. They even generated four or five reports that we had spent several thousand dollars and several months trying to get from our other software consultants and had not yet received. Based on our data that they had input into SAP Business One, JourneyTEAM put those reports together in an afternoon.”

Daems still had a few reservations: he needed buy-in from his VP of sales and was concerned about cost. He still wasn’t ready to write off the current software. JourneyTEAM came in and gave another presentation for the Wolf Peak sales team and, following that, came back with an acceptable quote. With some pain, but also considerable relief, Daems wrote off the existing accounting package. “We felt the benefits of SAP Business One far outweighed the costs and time already invested in the previous software system,” Daems says.

Implementation – Fast and Uneventful

Implementation of SAP Business One took just seven weeks from the day of the initial sales presentation. “We implemented SAP Business One during our busiest period of the year with no disruptions,” notes Schwab. “It went better than I expected, in particular with respect to cutover and conversion. JourneyTEAM did an amazing job of getting all our old records converted with no real problems at all. We met our deadline of June 30, 2006, and cutover during the succeeding long weekend without incident.”

Schwab’s enthusiasm for SAP Business One is high. “This is the best accounting program I’ve ever worked with,” he says. “I can drill down to anything I want. And with the XL Reporter tool, I can build reports on the fly.” SAP Business One includes a seamlessly integrated reporting and financial analysis tool called XL Reporter that works with Microsoft Excel to provide instant access to financial and operational data. It reports on live data drawn from a variety of sources including general ledger, receivables, payables, sales, purchasing, and inventory software.

Quick and Easy Custom Reports and Ad Hoc Queries

“Now we’re building the reports we want,” says Schwab. “To have a program like XL Reporter that lets us build custom reports, preset regular updates, and then work within Microsoft Excel –

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Ron Schwab, CFO, Wolf Peak International Inc.

that’s hugely valuable to us. Nobody else offers the ability to do ad hoc queries so easily. Even people who aren’t serious programmers can go in and create the documents they need within the limits of their authorizations. So I highly recommend it.”

For years, Daems had been running an open receivables report that presents, for example, all the invoices that are 15 days past due and greater than \$450. Unfortunately, he simply could not run a report like that with the initial software package he bought to replace his old QuickBooks program. That situation has now changed.

“With SAP Business One, we can go in there and ask for those parameters and then sort it by oldest, biggest amount, or customer,” says Schwab. “And it’s paperless. The accounts receivable person

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doesn’t have to print anything out and then write a bunch of notes on it and type them into the system for someone else to find. It’s all right there.”

Wolf Peak also requires a very complicated commissions report. It is used to generate the checks that go out to the company’s commission sales representatives, who receive individualized reports as well. This is a set of reports the previous consultants were unable to deliver. JourneyTEAM was able to develop it on SAP Business One in an afternoon.

Expanding Uses

Wolf Peak is already expanding its use of SAP Business One into other areas. The company has applied the software to warehouse management, where it enables Wolf Peak to manage inventory, receiving, warehouse delivery, shipping, and all the other aspects of the warehousing task. Inventory is one of the company's biggest assets and it has to be managed well.

"We have an audit report that lists all of the inventory, the current on-hand quantity, and the demands on it through sales orders or outstanding purchase orders," Schwab says. This report then lists the value of that inventory and allows Schwab to look at the activity against any inventory item during any period. Beyond that, it also allows him to drill down to the actual invoices that impacted that inventory item. "We want to minimize what we have on hand," he says, "but we always have to be sure we have enough to meet our customers' needs. SAP Business One lets us do that."

Wolf Peak's management has also begun using the customer relationship management (CRM) functionality within SAP Business One to assist with collection of receivables. The company's plan is to extend its use of the software to develop and track sales opportunities as well.

Renewed Confidence

Three months following installation Wolf Peak is extremely happy with the implementation of SAP Business One. "Reports that used to take months to create – if we could get them at all – can now be created in minutes," says Schwab.

A less tangible but no less important benefit is the renewed confidence SAP Business One brings to management. "A company's greatest untapped asset is its own financial information," says Schwab. "SAP Business One creates an environment where the decision makers get the information they want on a timely basis,

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in a format they can use. It's amazing what happens when management begins to see what is really happening inside the enterprise. SAP Business One delivers useful information to help make good business decisions – and that's really the bottom line. This is a business management tool."