

Synopsis

Client: Privately held fashion business with sales volumes over 75,000 units annually, and consistent revenue growth in excess of 20% per annum.

Key Pains: Sustained growth was putting strain on the current management system, and inventory control was becoming increasingly problematic.

Solution: Microsoft Dynamics NAV, with a specific fashion industry add-on by Pebblestone.

Key Benefits: Optimal productivity and profitability, support for continued growth, improved inventory control and increased planning capabilities, coupled with a low cost of ownership.

The Client

Botkier is a privately held fashion business selling handbags, shoes, and accessories to an upper mid-market clientele through major national retailers such as Nordstrom and Neiman Marcus, as well as directly through their website. They design their own product, and contract its manufacture offshore in factories located in Korea, China, and Italy. In the past year, their sales volume surpassed 75,000 units.

Since launching the business in 2003, Botkier has seen revenues consistently grow in excess of 20% per annum. A staff of 15 employees operates the business, from initial product design, to sales, to contracting and overseeing product manufacture, to product importation, warehousing and, in the end, shipping to client distribution centers across the United States.

Theirs is a seasonal business with constantly changing styles and end consumer preferences dictating demand. The business has grown in both scale and complexity as Botkier has evolved and penetrated its key markets.

The Challenge

In the beginning, when sales volumes were low, straightforward accounting and inventory management software was sufficient to operate and control the business. But as Botkier grew, these systems began to come apart at the seams.

Inventory management was a particular challenge. Although product was manufactured largely on the basis of orders already received by their department store customers, getting that product delivered on a timely basis was key to having it sell early in the season. This increased the likelihood of re-orders and increased profitability. In the fashion business, inventory left on hand at the end of the season is practically worthless.

Dealing with this fashion business reality was extremely difficult since the accounting software Botkier used was not integrated with their rudimentary inventory management system. This was causing all manner of heartburn as their sales volumes and inventory grew.

A further complexity came from the addition of shoes to Botkier's product lineup. A matrix of color, size, and style all had to be taken into account and carefully managed not only in terms of manufacture, but also in terms of inventory control and distribution. This required a far more sophisticated, industry-specific software solution.

The Solution

Botkier began researching their alternatives, and eventually settled on Microsoft Dynamics NAV as their preferred solution, with a specific fashion industry add-on provided by Pebblestone. Together, this delivered exactly the functionality that Botkier needed to gain a tighter management control over their business operations end-to-end.

Clients First was chosen to implement this system because of their familiarity with the complete software package (Microsoft Dynamics NAV and Pebblestone), but also because of their business approach which focused first on understanding Botkier's overall business needs, and then recommending the appropriate solution.

The solution was installed as the backbone of Botkier's business, and is now used by all personnel with the exception of those actually designing the Botkier collection.

The Benefits

Although the Microsoft Dynamics solution was only recently installed, Botkier strongly believes it will prove to be a sound business investment due to:

- ▶ It being a truly end-to-end solution. Every aspect of Botkier's operations are managed and coordinated through the solution, except for design.
- ▶ It being based on the latest Microsoft technology. The Microsoft Dynamics NAV / Pebblestone solution truly provides a comprehensive engine to achieve optimal productivity and profitability, as well as fully support Botkier's growth into the future.
- ▶ It being specifically designed for the fashion industry. Fashion has unique complexities that other industries do not, in terms of accurately forecasting demand, scheduling production, and adequately managing inventory. It is a fast-paced, ever-shifting, and seasonal business that demands tailored solutions.
- ▶ It being cost-effective. Because the solution is based on underlying Microsoft technology, and does not require customization because it is already industry-specific, the total cost of ownership for the system is dramatically reduced.

In Summary

Jose Gallego, Comptroller at Botkier, sums it up this way:

“Clients First didn't just try to sell us software – they took the time to analyze our needs first, and then recommend a solution. We have also been thrilled with the support we've received. All system implementations have some hiccups, and Clients First made sure that when this happened, they responded to and solved the problem quickly.”